Daily Report

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Latin America

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Cuba

Delegation Meets With UN Secretary General

Full Coverage of Signing

FL2212020588 Havana Radio Rebelde Network in Spanish 0029 GMT 22 Dec 88

[Telephone report by Alberto D. Perez from New York during "Exclusivo" newscast hosted by Daniel Torres—live]

[Text] [Torres] Good evening, Alberto. Fraternal greetings.

[Perez] Good evening to you Daniel and good evening to the great "Exclusivo" listeners. Important events have taken place here. Jorge Risquet, head of the Cuban delegation, accompanied by Carlos Aldana, Cuban Foreign Minister Isidoro Malmierca, and our Ambassador to the United Nations Oscar Oramas have held a cordial conversation with UN Secretary General Javier Perez de Cuellar. This conversation ended just a few moments ago. Matters of interest have been discussed. Among them, is the ceremony beginning at 1000, New York time—which is the same time in Havana, 1400 GMT—at the UN Economic and Social Council.

As a matter of fact, Radio Rebelde listeners will have the opportunity to listen to an exclusive live and direct broadcast of this important ceremony. A tripartite agreement and a bilateral treaty between Cuba and Angola will be signed.

I want you to know that Risquet, member of the PCC Central Committee Politburo and Secretariat, met with numerous permanent representatives to the United Nations. It has been a cold day in New York City. It has rained all day because a new cold front is approaching. There has been a lot of diplomatic activity here at the UN General Headquarters. The 39-story building reflects very well in the East River, one of the two largest rivers in New York.

Let me tell you that Risquet and Malmierca have met with the representatives of Zimbabwe—as you know, Zimbabwe heads the Nonaligned Movement—and Brazil, which will head the United Nations monitoring force which will be in Angola to oversee the gradual and orderly withdrawal of the Cuban internationalist troops. They also met with the permanent representatives from Colombia, Algeria, and Argentina. As you know, Argentine Foreign Minister Dante Caputo chairs the General Assembly.

As you can see, the Cuban delegation—top-level representatives—has had a day of numerous exchanges with figures who represent many countries here in the United Nations, including the secretary general. By the way, the secretary general expressed his appreciation for the cooperation and everything Cuba has done regarding the agreement which is going to be signed tomorrow.

Daniel, I also want to tell you that a while ago I went to the hemicycle of the UN Economic and Social Council and was able to see how the tables and cameras have been arranged. There are going to be five television cameras. This is not customary here at the United Nations. The chief of the United Nations media was telling me that they usually use two cameras but due to the importance of the agreement that is going to be signed tomorrow by the foreign ministers of Cuba, Angola, and South Africa, they have decided to use five cameras. The entire Security Council will be present as well as the UN Council for Namibia.

By the way, in the 747 Boeing accident in Scotland—as you should already know, a 747 Boeing that left Heathrow Airport bound for New York's Kennedy Airport crashed an hour after it took off causing the death of over 250 people, 17 of them on land—the UN Commissioner for Namibia was traveling in that plane. He was coming to New York to participate in tomorrow's ceremony. He is [Bernt Carlsson] from Sweden. There is sorrow here at the United Nations because of this tragedy. The permanent representative of the SWAPO, that is, the South-West African People's Organization, (Helmut Angula) is going to be here in New York.

Let me tell you Daniel that today has been a day of hustle and bustle in many ways here in New York City. I repeat, it has been raining all day. The temperature is close to freezing point, to 0 degrees. A similar day is forecast for tomorrow although it is not going to rain as much. We are going to have low temperatures here. The Christmas season is approaching. This festivity is celebrated here although I would say it is celebrated in a somewhat pagan way because Christmas festivities are very closely linked to commercialism. Those who initially organized the celebration of the birth of the so-called son of God never would have imagined this. In this sense Daniel, I can tell you that there is a lot going on in New York City.

Everyone is paying close attention to the ceremony which is going to be held tomorrow beginning at 1000. I want to remind you that Rebelde is going to carry this historic event live and direct from the UN Economic and Social Council hemicycle.

Cuban Envoy To UN Comments

FL2212024088 Havana Television Service in Spanish 0100 GMT 22 Dec 88

[Report by Irma Caceres from New York]

[Excerpts] The United Nations tomorrow will write a new important page of its history here in its New York headquarters. Everything is almost ready in this room of

the UN Economic and Social Council for tomorrow's signing of the tripartite agreement which will give security to Angola and grant independence to Namibia. [passage omitted]

The UN Security Council already approved the resolution to establish—under its authority—the group that will observe the retreat to the north and the gradual and total withdrawal of the Cuban troops [from Angola] in accordance to the established timetable. This mission will last 31 months. [passage omitted]

This agreement is also undoubtedly a victory for the international community. This was expressed by Oscar Oramas, permanent Cuban ambassador to the United Nations.

[Begin Oramas recording] Great expectation has been created because this is a far-reaching event inasmuch as, with it, Namibia will finally obtain its independence and become a member state of the concert of nations. It also ends one of the most shameful and sad pages of the colonial period. Therefore, this has been welcomed by many of my colleagues. They have approached us to express their gratitude, and their recognition for the efforts of our people in helping to bring to an end this page of colonial history.

A number of bilateral consultations are taking place with Nonaligned members of the UN Security Council. Of course, consultations have already taken place with the president of the Nonaligned Movement and other countries. These consultations are aimed at examining the entire process aimed at achieving a strict implementation of Resolution 435 which will bring independence to Namibia. This should be done without any kind of changes. That is, with all the guarantees which will ensure that the independence process is clean, and genuine, so that the people of Namibia can openly and clearly express their will. [end recording]

Castro Reportedly Would Accept Perez Invitation

PA2212003588 Paris AFP in Spanish 2316 GMT 21 Dec 88

[Excerpt] Havana, 21 Dec (AFP)—Well-informed diplomatic sources in Havana have reported that Cuban President Fidel Castro would accept an invitation from Venezuelan President-elect Carlos Andres Perez to visit Caracas on 2 February for his inauguration.

This invitation has yet to be received by the Cuban president but the Cuban leader reportedly has said that he plans to accept it. [passage omitted]

Bus Building Ceremony Held; Castro Speaks

FL2212031588 Havana Television Service in Spanish 0100 GMT 22 Dec 88

[Text] Our Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has presided over the ceremony presenting the 350th bus built at the Evelio Prieto enterprise in Guanajay Municipality. The enterprise workers' commitment to build 350 buses before the end of 1988 is fulfilled with this.

[Begin Castro recording] You have carried out, in a simple way, a true labor feat by building these 350 buses in a few weeks—I believe it was said it was 5 months. We had, and still have, a very serious transportation problem in the capital. The speedy building of these is going to help considerably by adding 350 buses to the capital's transportation services. This is also going to help other provinces. A number of buses have been built during these months. The interior provinces were not kept waiting while the ones for Havana were completed. Buses were distributed between the capital and the rest of the provinces in the country as they were being completed. [crowd chants: Fidel, Fidel] [end recording]

CSSR's Jakes To Attend 30th Anniversary

FL2212025588 Havana Television Service in Spanish 0100 GMT 22 Dec 88

[Text] Comrade Milos Jakes, secretary general of the Communist Party of Czechoslovakia [KSC] Central Committee, will head his country's delegation that will attend the activities marking the 30th anniversary of the triumph of the revolution, at the invitation of the leadership of our party and government. Comrade Jakes was elected to hold the secretary post during the sixth plenum of the KSC Central Committee held on 17 December 1987.

Cooperation Accord With Panama University

FL2112213088 Havana Radio Reloj Network in Spanish 2043 GMT 21 Dec 88

[Text] Cuban Professor Hector Hernandez Pardo had a lecture at the University of Panama on the 30th anniversary of our revolution, examining its history, work, and international repercussions. Political and social figures attended the event as well as the main officials of the Panamanian university.

Hernandez Pardo, acting rector of the Cuban International Relations Institute, signed a cooperation protocol for 1989 with the University of Panama. The agreement includes graduate courses, seminars in Havana and Panama City, as well as joint research projects, bibliographic exchanges, and study programs, among others.

MINAL Officials Analyze Year-End Production

FL2112224088 Havana Radio Reloj Network in Spanish 2057 GMT 21 Dec 88

[Text] A pretty steady pace of soft drink production has been established in the last few months of the year. This was reported by Luis Perdomo, first vice minister of the MINAL [Ministry of the Food Industry], during the National Assembly's Industry, Transportation, and Communications Commission meeting.

The permanent working commissions of the top state organ are meeting today to analyze their plans and report back on the work performed during this period. Vice Minister Perdomo reported on the way in which the MINAL has worked, in line with the recommendations made to its report back process to the National Assembly.

He explained that the new cap production line for soft drink bottles manufactured in Bayamo is about to be completed and another installation of the kind will be built in Sancti Spiritus.

According to plans, Havana will have from 80 to 90 bakeries during this 5-year-period. Through this experience, a program is being developed to permanently solve the problems of bakeries in the country. He also referred to the production of bran which at times is used instead of wheat flour.

Vice Minister Perdomo clarified that beef and chicken distribution is stabilizing. Provinces such as Havana City, Havana, Matanzas, Cienfuegos, and Santiago de Cuba showed irregularities. He asserted that this situation has normalized because of the intense effort made by the organizations involved and reported that an adequate supply will be maintained next year.

Regarding milk distribution irregularities, the MINAL first vice minister said new measures have been implemented to improve the situation. A study was conducted in Santiago de Cuba and it reflected the need to build 134 milk distribution posts. Twenty-five of them have already been built. Perdomo referred to the considerable irregularities in bringing this important food product to Havana consumers. He noted that cold storage spaces are being expanded and measures are being implemented so that milk reaches distribution centers by 0500. Perdomo reported that a pasteurization plant is going to be built west of the capital and that it should be completed in 1990.

Inter-Caribbean Affairs

Dominica's Charles on Unification Issue

FL2112203088 Bridgetown CANA in English 1825 GMT 21 Dec 88

[Text] Roseau, Dominica, Dec 21, CANA—Dominica's Prime Minister Eugenia Charles said on a radio programme here that the question of unity of the Organisation of Eastern Caribbean States (OECS) would be pursued after elections in St. Vincent and the Grenadines next year.

Charles said unification was hampered by the fact that elections in the islands did not all come at the same time and thus someone was always preparing for elections. "But we fancy that when St. Vincent, which is the next to have elections, have their elections, and its behind their backs, then we will be able to have a concerted three months strenuous work at it with all of us four leaders in the four islands working together and getting into each of these islands and discussing and talking to people and coming up with a referendum as soon as possible after this," Charles said.

She said during this break the leaders of St. Vincent and the Grenadines, St. Lucia, Grenada and Dominica would see if the people of the Windward Islands wanted political unity. She said that different political parties were saying that they wanted unity but they were putting qualifications on it, but, she said, the important question was "do we really want to go ahead with it?"

"We do not want to put it down people's throats. We think it is wise. We think it should be done. We think it is a good thing for our countries," Charles remarked. She added that notwithstanding what they thought, the leaders had to ensure that the people wanted it since it would not be wise to change people's status unless a majority of them desired it.

Barbados

Sandiford Presents 5-Year Development Plan

FL2112202588 Bridgetown CANA in English 1724 GMT 21 Dec 88

[Text] Bridgetown, Barbados, Dec 21, CANA—Barbados Prime Minister Erskine Sandiford tabled a five-year development plan in Parliament Tuesday, with projected capital spending of Bdos990 million dollars (one Bdos dollar; 50 cents U.S.) and anticipating at least 2.5 percent annual growth during the period led by the tourism sector.

"The plan places tourism at the top of the list of the productive sectors with agriculture, manufacturing and construction playing important supporting roles," he said. Areas to be covered by capital financing are road repairs, public transport, health and education.

The plan seeks to improve the quality of life for the country's 255,000 people and provide a "greater share in the ownership of the country's resources and wealth by a greater number of Barbadians."

The rate of unemployment which was 17.9 percent last year is expected to fall to 15.8 percent by the end of the plan period in 1993, with a projected employment rate of 1.6 percent yearly.

"The tourism sector is recognised as the mainstay of the economy in the medium term. The industry's earning capacity, management and infrastructure will be enhanced and strengthened and more efficient marketing strategies put in place," the prime minister announced.

He also spoke of plans to establish "the infrastructure required to make Barbados a major convention centre" and for two new international championship golf courses to be constructed.

Sandiford said government and statutory corporations involved in the provision of housing have committed 373.5 million dollars for that sector while the private sector is expected to also play a significant role in construction of residences.

In the manufacturing sector, the government will be promoting the development of small enterprises, encouraging maximum use of local resources and constructing a design centre.

"The main emphasis in the export thrust will be to strengthen the Caricom (Caribbean Community) market and to expand access to extra-Caricom markets, a target of 11 percent annual average increase in domestic exports by 1992 is projected," Sandiford said.

In the agricultural sector, he said, sugar would continue to be the mainstay while the government will intensify agricultural diversification. "Emphasis during the period will be on increased production of vegetables and root crops and efficient marketing." "In addition, the livestock industry will get assistance with the construction of a new abattoir, meat packing house and rendering plant during the plan period," Sandiford said. The government will also put in place schemes to help farmers and encourage the youth to enter farming, he said.

Bermuda

Resident Finds 50 Pounds of Cocaine in Sea

FL2012214888 Bridgetown CANA in English 1953 GMT 20 Dec 88

[Text] Hamilton, Bermuda, Dec 20, CANA—Fifty pounds of cocaine with an estimated street value of 22 million dollars (U.S.) have been found floating in Bermuda's waters, the police reported Tuesday. They said the cocaine, in 22 kilogram bags, was found by a local resident in a rubberised kit bag while he was out for a weekend stroll at Ferry Reach at the eastern end of the island. A police spokesman speculated the cocaine ended up in the sea as a result of a failed drug pick-up, an air drop or dumping from a boat about to be searched by the U.S. coast guard.

Dominica

President Clarence Seignoret Sworn In

FL2112164888 Bridgetown CANA in English 1514 GMT 21 Dec 88

[Text] Roseau, Dominica, Dec 21, CANA—Dominica's President, Sir Clarence Seignoret, was sworn in Tuesday for his second five-year term of office.

The ceremony took place at the president's office at Morne Bruce and was conducted by Resident Puisne Judge Ms Monica Joseph.

Sir Clarence was the unanimous nomination for president by both sides of the chamber when the matter came up before Parliament.

Both Prime Minister Eugenia Charles and opposition leader Michael Douglas agreed on the nomination of Sir Clarence, and praised him for the exemplary role he had played in his first five years as president.

Haiti

Salesian Order Issues Statement on Aristide

Expulsion Outlined

FL2112005888 Port-au-Prince LE NOUVELLISTE in French No 33.417, 17-18 Dec 88 pp 1, 12

[Excerpts] As we pointed out in yesterday's edition, upon announcing the Salesians' decision to expel the Reverend Father Jean Bertrand Aristide from the order, we are still awaiting the full text from the Salesian Community.

We are today able to publish the text of the statement dated 8 December issued in Rome by the Salesian Community's press office. This text reads as follows: [passage omitted]

Regarding this painful decision, the General Directorate of the Salesians, through the director of its press office, Father Giuseppe Costa, gives the following details: [passage omitted]

2. The behavior of Father Jean Bertrand Aristide, a professed [priest] since 1975, has for the last few years raised delicate problems contradicting his Salesian and sacerdotal vocation. His attitude has had a negative effect on his Haitian colleagues and on the authenticity of religious life in the Haitian church.

3. His superiors did everything possible to prevent a radicalization of the situation, employing fraternal patience and temporizing, also taking into consideration changes in the sociopolitical juncture. However the frequent meetings, dialogues, and confrontations held in an attempt to understand, help, and orient the colleague came to nought, for the person concerned exhibited a lack of sincerity and of religious and sacerdotal awareness.

4. From August to October 1987, a special visitor, (Venezuelan priest Ignace Velasco, a member of the General Council), sent by the superior general, found himself facing an objectively serious situation—serious to the point where he had to take concrete measures (?corresponding to) the Constitutions of the Community, seeking the greatest personal good for the person concerned and the strengthening of communion within

the local church. Two Salesian priests (one Scottish, the other French), specialists, were also sent to Haiti, to (?hold) a training course for all the colleagues from Haiti on the topic "Salesian Identity and Renewal," as well as a competent theologian (Father Joseph Aubry, who is Swiss), who tried to contact the colleague in order to discuss those of his positions which were the objects of criticism.

5. Since all attempts were in vain, the special visitor, along with the superior general and his council, envisioned the need to transfer Father Aristide to a Salesian Community in Canada, from whence he could have entered into direct contact with the superior general in Rome. Before giving the formal order in the direction indicated, the visitor personally made a last attempt to convince the colleague to go to Canada. Having noted that it was impossible to hold a sincere and fruitful dialogue, he sent the colleague the formal order to leave, explaining that failure to obey this order would initiate the process of expulsion from the Community.

6. Thus this decision, which we tried by every means to avoid, came about. The competent superiors felt it was their duty to make this decision because they are responsible for encouraging the constant fidelity of the members of the Community to the founder and for helping them participate in and contribute to the pastoral nature and the communion of the local church. However, before issuing the expulsion decree, the visitor tried once again to intervene and to make a final attempt at fraternal contact, but the attempt proved to be in vain.

7. In particular, the deviations we wanted to see corrected are the following:

A. Through his choice of life and of action, Father Jean Aristide deviated from the concrete requirements of the Community, indicated explicitly by the Salesian Constitutions.

B. The type of political commitment that he took upon himself is in serious contradiction with the clear desires of the founder. Furthermore, incitement to hatred and violence and the exaltation of the class struggle is in direct opposition to this fidelity to the church's teachings that is a living part of the Salesian ideal.

C. The desecration of the liturgy, which seems to be an attempt to put the Eucharist and the sacraments in the service of politics, discredits the exercise of his sacerdotal ministry, meant by its very nature to promote unity and love.

D. The rupture of the communion in the life of the church, in explicit contradiction with the legitimate pastors, make Father Aristide a protagonist in the destabilization of the community of the faithful—and this in a constant, public, and so incisive a manner that journalists and varied groups cite him as "the leader of the rank and file of the people's church" in Haiti. The ideas that inspire it, the doctrinal lines, the active strategy and the finalities of the so-called "people's church" were vigorously denounced and condemned by the Episcopal Conference of Haiti (7 October 1988).

8. Numerous considerations on each of these points were presented several times to Father Jean Aristide, so as to help him in discerning and confronting the commitments assumed in his religious profession—in reflecting attentively upon his sacerdotal and church responsibilities. Alas, we found ourselves confronting a personal option that was henceforth substantially different and clearly predominant. Obviously, he is free to follow this option—but not as a Salesian.

9. For the superior general, his council, and the entire Community, the decision that has been made is an extremely painful one; however, it was found to be unavoidable because it is being made out of fidelity to the main values of life sanctioned by a sincere love of the Haitian people and in favor of the communion of the local church. [passage omitted]

Priests Express Support

FL?012232988 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 20 Dec 88

[Excerpts] A group of 83 priests from eight dioceses in Haiti have expressed support for Father Jean Bertrand Aristide following his expulsion from the Salesian community. The priests say they are sickened by the Salesian authorities' decision to release him. [passage omitted]

We are also suffering with him today because as priests we know very well that a priest who is not in a particular diocese or order is a priest turned out into the streets. He is like an orphan.

Farther along in the message, the 83 priests invite Father Aristide to defend himself against the negative charges he faces. [passage omitted] The priests say they are prepared to serve as witnesses for him.

[The statement says:] Since church law gives Father Aristide the right to defend himself, we vigorously encourage him not to forego this opportunity to do so. We hope he will take advantage of this opportunity, so that he may respond to all bad accusations made against him, all the strange ideas that have been attributed to him, and all the distorted interpretations of his actions that have been made.

[The statement says:] Titide, old brother, on the 40th anniversary of the declaration of human rights, we ask you to defend yourself before the church. Do it for yourself—because you love the Salesian community, and you should not allow it get away with this mistake. And do it for us—because what is happening to you could happen to all of us, one after another, from the way we

see them going after [lage de gidon deye] priests who are on the side of the poor. Do it also for the church that Jesus Christ so loves, so that darkness will fail to put out the light within the church.

We declare that we are ready to serve you as witnesses wherever it might be necessary. [passage omitted]

Farther on, the 83 priests say that they hope certain Haitian bishops will refuse to join those who might ask the Salesians to throw Aristide out into the street. The priests say they hope that on the occasion of Advent, the Haitian Conference of Clergymen [Konferans Ayisyen de Relije] will not be afraid to invite the superior general of the Salesians to come and delve into reliable [bon jan] sources of information so as to learn more about the Haitian church.

During Advent, which is a time of hope, we hope that even if the Episcopal Conference of Haiti lacked the courage to give God's people (?guidance) in this crisis, there will be a few Haitian bishops who will refuse to allow their names to be listed among the people who are today asking the Salesians to throw you out into the street; and that one of them will open the doors of his diocese to you, should the Salesian community refuse to change its mind despite all the light you may cast in your defense.

During Advent, a time of hope, we hope that the Haitian Conference of Clergymen will not be afraid to invite the superior general of the Salesians to come obtain accurate information on the Haitian church. By so doing, he will understand what is blocking the development of religious life in Haiti, and he will see that it is not Father Aristide, as is claimed. [passage omitted]

During Advent, a time of hope, we hope that among the wealthy who love Haiti, love the church, and believe in the gospel, there will also be some who will find the courage to declare (?that) you do not hate them, that you are not their enemy, (?and that) they understand the cause of the man from Nazareth, which you are defending.

New Government Banking Measures Discussed

FL2012224288 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 20 Dec 88

[Text] In a press release on 16 December, the Ministry of Information and Coordination announced that the national bank was authorizing the private banks operating in Haiti to open U.S. dollar accounts for everyone who needed them, especially people who receive checks, transfers, or cash from abroad. According to the press release, this measure is aimed at giving people with U.S. currency the ability to put it in the bank—whether in checking accounts, savings accounts, or term deposits—and get it back whenever they want, so that they will not have to keep U.S. currency at home.

According to certain people knowledgeable in economics, what the government is trying to do, by means of this measure, is to increase its dollar reserves. In order for it to have more dollars, it would have to either receive dollars from abroad or send products to be sold abroad for dollars. Since it does not have either, the Haitian Government is trying to find a way to eliminate the market for dollars, which are selling like hotcakes. Up to the present and for some time now, private banks have not had the right to sell dollars if they needed to. They could not accept deposits either. The only thing they did was receive your dollars and give you most of the money back [upon request] in gourdes, with just a little bit of it in dollars—not more than 4 percent, according to our information. Recently, they have not even been willing to give back 4 percent. Therefore, many people and organizations—especially certain nongovernmental organizations—had begun opening accounts abroad with the checks they received, so that they could obtain dollars when they needed them.

According to certain observers, in order for the government's measures to be successful, private banks would also have to be given the right to sell dollars, just like the people in the streets. If not, there will always be a black market, and the people with dollars will not be interested in banking their dollars to the bank. They would rather sell them to make a profit. However, in order for something like this to be done, the Haitian Government would have to officially say how much a dollar costs in gourdes, and this would have to be done on a daily basis. This would constitute an important political decision, because everyone knows that up to now, the Haitian Government considers that $1 is worth 5 gourdes, as per an agreement signed with the United States. This is written on all Haitian paper gourdes.

Ministry Communique on High Prices Denounced

FL2012225488 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 20 Dec 8

[Text] The Chamber of Commerce and Industry of Haiti denounces the Ministry of Commerce and Industry, which it says is avoiding its responsibilities and trying to blame Haiti's poor economic situation on the nation's merchants and industrialists. The Chamber of Commerce and Industry says in its communique dated 15 December 1988, that the Ministry of Commerce and Industry evades its obligations and clumsily tries to place on the shoulders of the producers, merchants, and importers—the pillars of the Haitian economy—a number of responsibilities that belong to the Ministry of Commerce and Industry.

The Chamber of Commerce says that it feels that this is not the time to be looking for scapegoats, looking for someone to carry the blame, but rather a time for

concerted action, a time to meet and talk honestly and intelligently, in order to get Haiti out of the hole into which it has been thrown by a number of false patriots. The Chamber of Commerce says: We merchants and industrialists (?of the) regular sector refuse to take the blame for the (?present) results in Haiti of bad economic policy, a policy that is the result of past irresponsibility.

Thus, the Chamber of Commerce and Industry of Haiti says it refuses to accept a responsibility that rightfully belongs to the Ministry of Commerce and Industry.

We remind listeners that last week, the Ministry of Commerce and Industry issued a communique that was somewhat vague, which people felt was rather ambivalent, which asked the merchants to lower basic necessities' prices. Diverse, popular organizations, among them those that had called for the 18 December mobilization, had criticized this communique. Organizations also denounced the absence of a real will on the part of the Ministry of Commerce and Industry to lower these prices. They saw this communique as one in which the Ministry of Commerce and Industry was asking the merchants to give it a break and lower the prices of merchandise.

Soldiers Release Prisoner, Fire on Commander
FL2012231588 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 20 Dec 88

[Excerpt] A drug scandal at the Ferrier barracks, in northern Haiti: Two soldiers fled, with their weapons, after opening fire on their commanding officer. Here is our correspondent from northeastern Haiti with details.

[Correspondent] On Friday 16 December, at around 1400, two Haitian soldiers stationed in the subdistrict of Ferrier—(Lebien Mondesir) and (Joseph Jean-Max)—crossed the border into the Dominican Republic in uniform with their M-14 rifles after shooting at the commanding officer of the subdistrict of Ferrier, Adjutant (Benoit Jean).

We interviewed Adj (Benoit Jean). He told us that on Wednesday 14 December, at around 1600, he had, along with one of these soldiers, (Jean-Max), arrested a man named (Luckner Emmanuel) in connection with cocaine. That same afternoon, (Jean-Max) and (Lebien) entered the prison and released (Luckner), telling him: (Luckner), buddy, go home because macoutes are no longer in fashion.

The commander wrote a report about the incident to the district of Fort Liberte; those soldiers were then to report to Fort Liberte.

Friday, at around 1400, after being ordered to Fort Liberte, the soldiers entered the Ferrier barracks wearing their olive green uniforms and fired at the commander. He jumped behind his desk. The soldiers, who assumed he was dead because he remained motionless upon falling to the ground, continued firing while going toward a waiting motorcycle headed for the Dominican Republic. [passage omitted]

Victim of Ambush Denounces 'Terrorists'
FL2012234188 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 20 Dec 88

[Text] Jean Norbert Montero, the former president of the Consultative Council [the now nonexistent Conseil Consultatif, under the National Government Council] and former coordinator of General Namphy's small-projects office for the central plateau, was almost killed in an ambush in Savannette set for him (?and) a group of peasants who are in the community council [conseil communautaire] that he founded in 1987, Montero told us. This reportedly happened on Sunday 18 November [date as heard] in a place called (Koraygan), very near Savannette. Eight people have been arrested in connection with this incident.

Montero says that a group of individuals who hate him because of the development work he is doing in Savannette are behind this plot against him. He denounces these people as terrorists, and he is informing the general public.

Jean Robert Montero said these people accuse him of being a macoute because he collaborated with General Namphy. Montero declares that he has never been a macoute, and that, in fact, he spent 23 years in exile. Montero adds that before Namphy was ousted, Montero had denounced the small-projects as something being done to facilitate pro-government propaganda.

We remind listeners that after the 17 September coup d'etat, General Namphy's small-projects came to an end, and all the development advisers were fired; and the press had received several letters from the Savannette area that were against Jean Norbert Montero. Also, during that period, Montero had sent several documents to the press in which he talked about himself and about what he was doing.

Still in connection with notes of protest from the Savannette area against Jean Robert Montero, a note from the Haitian Workers Committee [COH] denounces the brutal manner in which the military in Savannette is treating the population of Savannette in order to protect Jean Robert Montero. The COH also talks about what happened on Sunday 18 December, saying that citizens from

Savannette were arrested without a warrant. Among those arrested was (Pierre Andre Prevaut), who is the justice of the peace for the area. These citizens were later released. The military later arrested a group of people heading for church and beat them. These people are in jail at present. Many people have been forced to flee the area because of this repression.

All those people are having problems because of the population of Savannette, which is protesting the presence of Montero, who has returned to the area. [sentence as heard]

(?Given) these criminal and terrorist actions that the Army is conducting against the population of Savannette, the COH asks that the persons in jail be released immediately and that the Army stop harassing the population, so that people can live in peace.

Trinidad and Tobago

10 Percent Cut in Servant's Wages Announced

FL1712165688 Bridgetown CANA in English 2205 GMT 16 Dec 88

[Text] Port-of-Spain, Trinidad, Dec 16, CANA—The Trinidad and Tobago Government on Friday announced a 10-percent cut in pay for public servants. The measure was the main surprise coming out of the Friday afternoon 1988-89 budget presented in Parliament by Prime Minister A.N.R. Robinson.

Robinson said that the government needed to do something to balance its books and to deal with the wage bill for its 65,000 public servants. It is the exorbitant payment for wages and salaries which gives rise to the need for central government transfers to the public utilities, statutory boards and state enterprises, Robinson told the House of Representatives in his near two-hour presentation.

Cardenas Actions in U.S. Said Unpatriotic

FL2112235988 Mexico City NOTIMEX in Spanish 2243 GMT 21 Dec 88

[Text] Mexico City, 21 Dec (NOTIMEX)—The Senate of the Republic criticized today the attacks against the Mexican Government coming from the United States by Cuauhtemoc Cardenas Solorzano, former presidential candidate of the center-left National Democratic Front [FDN]. The senators called Cardenas' attitude unpatriotic.

Senate leader Emilio M. Gonzalez said: We are going to solve our problems here and not abroad. He added that Cardenas' attitude is unfortunate because the Mexican Government, which is a legitimate one, is preparing to renegotiate the foreign debt. He added that when Mexico goes abroad it will do so with more political vigor and strength. Therefore, he said, Cuauhtemoc Cardenas is assuming an unpatriotic stance because he is not a Mexican who is responding to the national interest.

Gonzalez asserted that the former presidential candidate is mistaken, he is making a constitutional mistake. The president of the Republic is and represents a legitimate constitutional government because he fulfilled all the requirements and took all recourses established by the Magna Carta and the Federal Electoral Code.

The Senate leader believes that Cardenas' attitude can be damaging inasmuch as, as a Mexican, he should curb his behavior and attitude regarding the policies of a legitimately constituted government. He asserted that Cardenas is acting outside all constitutional and political norms. Of course, he has every right to form a political party, but he should acknowledge one government, that of Salinas de Gortari, as authentically constitutional. Therefore, it is improper and unpatriotic to go abroad and discuss Mexican matters because it is up to us to solve them here.

* PAN Resistance to Government Subsidy

* Political Training Planned

32480044 Mexico City PROCESO in Spanish No 629, 21 Nov 88 pp 20-23

[Report by Rodrigo Vera]

[Text] Almost 50 years after it was founded the National Action Party (PAN) has decided to take the leap, abandoning what it regarded for years as a worthy policy, and to accept the official subsidy that rightly belongs to it under the law.

PAN is thus literally entering a new era, above all because this prerogative (which means it will receive 26.5 billion pesos over the next 3 years) will enable to experience qualitative growth as it sets in motion an ambitious ideological-training project that will range from its rank and file to its top leaders.

The PAN leadership used to feel that not accepting any government subsidy guaranteed the party's independence. Only last February, with the presidential campaign already upon it, it decided to reaffirm its refusal to accept the prerogative. It financed the campaign with its own funds, raised from dues, donations, raffles and collections. Candidate Manuel J. Clouthier himself asked the people attending his rallies for financial support, for which purpose he had a blanket passed around to collect the money, like alms in churches. "We don't get a penny from the government," the PAN people would say proudly.

This policy was abandoned last 29 October, when the party's National Council resolved by a 100 to 66 vote to accept the public financing provided for in the Federal Electoral Code (CFE) for political parties.

Nonetheless, there is still opposition to the decision within the party among those who insist that acceptance of the subsidy somehow curtails the independence of the organization that Manuel Gomez Morin founded in 1939.

Luis H. Alvarez, the national president of PAN, explains the reasons for this sudden shift in favor of the subsidy:

"The decision is based on the fact that the financing is now awarded openly and the entire national community can find out all about it. Before, the government awarded support to some parties in a hidden, capricious and illegal manner, inasmuch as there was no provision indicating that public monies could be channeled to the political parties. But today we are looking at a different situation. These mechanisms, which transfer public monies to the parties, are in place in many countries with democratic systems and are working well."

Since Mexico had not adopted this system, the leader says, PAN always said no. "It was like accepting something improper. Now it is clearly established by the laws; it is legitimate. For the first time in PAN's history it will receive a subsidy like this. This will expand our sources of financing, which is healthy, and will in no way jeopardize our independence."

Although the 26.5 billion in financing (as the law provides, the amount is calculated in accordance with the votes that the party received at the most recent elections) will enable PAN to expand its organizational and publicity potential, most of the money will be earmarked for ideological-training programs. The national secretariat of training plans to conduct two such programs: the PAN Course in Ideology and Organizational Training (CICOPAN), in which "the issues that every member of PAN ought to know" will be taught, and the National Program for the Training of Leaders, which will professionalize the leaders of lower-, middle- and upper-level personnel.

Alvarez explains in this regard that the reason for the decision to devote most of the official financing to ideological training is that "we want our activists to be the product of the full growth of our postulates, not of circumstantial membership. There will be a great qualitative change. We will put out highly trained political staffers."

In the view of the former PAN presidential candidate and former mayor of Chihuahua, 66 councilmen voted to reject the subsidy because "they still have doubts about the proper application of this mechanism, inasmuch as in the past the procedure was not too clear. But ultimately they accepted the decision of the majority."

Alvarez denies that the vote reflected a struggle within the party, "nor do I think that these differences are going to cause internal problems in the future. This so-called struggle is the product of unfounded reports."

A similar opinion is shared by Humberto Rice Garcia, the executive secretary of PAN, who voted for the subsidy because the current Federal Electoral Code "incorporated clarity in calculation, transparency in administration and proportionality in the distribution of the subsidy to the parties."

15 Deputies Dissent

Nonetheless, the dissent of 15 PAN deputies and 3 assemblymen shows that approval is not unanimous in a party that has known discord before.

Led by deputies Roger Cicero from Yucatan and Gerardo Arellano and Victor Gonzalez from the state of Mexico, some of the other dissenting deputies are Guillermo Islas Olguin, Juan Jose Medrano, Mario Rojas Almanza, Francisco Cabrera Gonzalez, Salvador Fernandez Gavaldon, Miguel Hernandez Labastida, Alberto Ling Altamirano, Rosalia Ramirez, Maria del Carmen Segura and Benito Rossel, as well as assemblymen Felipe Calderon, Jose Angel Conchello and Carlos Jimenez Hernandez.

At the beginning of the month they all signed a document in which they demand that the PAN leadership hold their philosophical principles higher than any short-term convenience. They argue that under the bylaws the highest authority, the National Assembly, can be called to revoke the resolution accepting a subsidy that "subordinates."

These disagreements, to some observers, could lead to a serious rift in PAN, whose ranks are already said to be split, as PRI Deputy Ismael Garza threw in PAN's face on 10 November at the lectern in the Chamber of Deputies, when he reminded them of the frictions between young and old PAN members.

After 1962 (the year that Hugo Gutierrez Vega, Manuel Lapuente and Enrique Tiessant deserted when they saw that the party did not join the Christian Democrat movement) the other major split that we can recall in the white and blue party was in 1975 and 1976; it had to do with its failure to nominate a presidential candidate and with the departure of many activists and leaders.

Humberto Rice feels that PAN will not lapse into feuds at present, because there is respect for its internal democracy, and that if at an upcoming meeting the majority decides to turn down the subsidy, "so it will be decided, because we are not wed to any stand, and the current acceptance is not permanent."

He estimates that the approximate amount of the subsidy, based on the party's 101 deputies and more than 3 million votes, and not forgetting inflation, is 23 billion pesos. This money will be distributed over the next 3 years as follows: 20 percent in 1989, 30 percent the following year and the remaining 50 percent in 1991. Moreover, this year they will received around 3.5 billion pesos for the 1985 elections. This makes a grand total of 26.5 billion pesos.

"A considerable amount" in Rice Garcia's view, inasmuch as according to his calculations this represents 355 percent of the overall budget of the National Executive Committee and 15 percent of all the party's spending nationwide, and this is just for next year, when they will receive the smallest portion of the subsidy, which a special commission will administer.

Interviewed at party headquarters, he explains that they have agreed that the official financing should not exceed 40 percent of PAN's total income:

"We don't want to happen to us what happened to other parties that depend almost exclusively on public financing. We want to limit ourselves and be demanding of ourselves, so that other income exceeds that from the subsidy.

Training: The Priority

Maria Elena Alvarez de Vicencio, who is in charge of the National Secretariat of Training, assumes that more than half of the subsidy will be allocated to instructional programs:

"This was one of the main reasons why we accepted the subsidy, as we saw that we lacked money for training and that the activists badly needed training. Although we have always had training programs, this one will be unprecedented in magnitude. Sizable financial resources will be allocated to it."

And she goes on to say that there are two main reasons why training is being spurred this way: "In the first place, because our 50th anniversary will be an incentive to go deeper into our party's roots, into its philosophy, its

mystique, and second, because in the wake of the recent election campaign we have received many people who want to join PAN. This obliges us to train them so that they have an in-depth knowledge of our ideology."

She adds that the party will acquire very advanced equipment for audiovisual instruction. "We'll begin by acquiring offices where citizens can go to learn their civic duties and the party's structure. We'll have videocassettes, printed matter and training manuals. There are already plans to buy a certain number of offices and to rent others. In some only improvements will be made."

Even the development of professional politicians is envisioned: "One of the resolutions was to create a very high-level training institution that will train people not only in knowledge of the party but also in the functions of public office. We want to train officials so that they make the best councilmen, the best mayors, the best deputies."

The most experienced members of PAN will be the instructors: "We are inviting each state to do an inventory of its human resources so that those who convey the philosophy and mystique of the party are activists with a long career in it. They may range from the national president to the least of our leaders." She adds that in turn professional experts will be required in areas such as planning, strategy and tactics, ones "who are up to date on the latest advances in political and advertising techniques."

Through communication with workers, peasants and the unemployed PAN will also try to banish the idea that it is pro-business and an enemy of the working class. "We will be a channel through which the needy classes can find an answer to their problems, because the left is failing them. We have groups working to reach these sectors."

She adds that the CICOPAN training groups (30 to 40 people) will adapt to people's cultural level. "If they are workers, classes commensurate with their level will be given, and likewise if they are professionals."

According to the "CICOPAN Manual of Organization," which will be handed out to every trainer to monitor and assess his students, the objectives of the course are: "To see to it that the participants acquire basic knowledge about the PAN philosophy and organization; to develop in the participants the basic skills to define the objectives of a committee secretary; to draft a work plan so that the committee can consolidate its organization and spur its action; and to instill the PAN mystique in the participants."

The CICOPAN courses were developed by Alberto Gonzalez Domene and the National Secretariat of Training and last an average of 2 days (Saturday and Sunday preferably). "The ideal thing is to have the course taught to boarders who arrive on the premises Friday evening."

Even Classes in Marxism

On the first day of classes, from 0730 to 1900 hours, with breaks for meals and rest, the participants hear the following topics: individual and society; capitalism, Marxism and humanism; the Mexican political system; mission, sociodrama or dynamics; politics and party; history of the party and commitment. And on the second day: bylaws, committee, planning, sociodrama or dynamics, government plan and, lastly, RECAP [Active and Peaceful Civil Disobedience].

Maria Elena Alvarez indicates that the party will now embrace the teachings that RECAP, a group to which PAN belongs, previously imparted in the technique of the nonviolent struggle.

Under the heading "politics and parties" in the manual, PAN defines itself as a pure, nationalist, pluralist and centrist opposition party of staffers.

It is not bashful about its strengths and weaknesses. Among the latter it lists: poor dissemination of philosophy, inadequate funding, weak structure and staff, defenseless in the face of fraud, ineffective strategy, some deficient management, improvisation in leaders, absence of intermediate bodies and lack of internal communication.

It also gives a rundown of its strengths: sound philosophy, financial independence, voluntary membership, for democracy, a force in Congress, honest, successful city governments, biggest opposition force, mystique.

The manual mentions that the party's overall goal is the "perfection of man in his political vocation," while the specific goal is to publicize its ideology and to take power to carry out its agenda, as well as to counter the power of the opposition so that there is a "democratic balance."

The following will be instilled in the participants under the heading "Mission": "You come from a family; you are a product of the will of God and of your parents' love. There is a reason why and a purpose for which you are in the world."

In line with its centrist stand, it does not subscribe to some aspects of either Marxism or capitalism:

Regarding the former, it indicates that "it preaches atheistic materialism, practices state totalitarianism, contends that the end justifies the means, subjugates the people, dismisses the dignity of the human person, depersonalizes society, abolishes property rights, exaggerates the importance of the economy, justifies hatred (the class struggle) and justifies violence (to gain power)."

And it deplores capitalism for its "insatiable desire for profit, the primacy of capital over labor, promoting materialism, obtaining total ownership of production,

creating mounting injustice, promoting companies without social responsibility, turning human labor into merchandise, causing damage to the environment, increasing disproportionate wealth in the very few, and creating an oppressive structure, as the tiny percentage of the privileged few rest on the foundation of the dispossessed majority."

As complementary readings the manual recommends a bibliography of about 60 books, by both PAN and non-PAN authors.

Training Leaders

Along the same lines but much more advanced, the National Program for the Training of Leaders has as its mission to train leaders on three distinct levels, "the ones who will have to head the Basic Sectional Committees; the heads of the intermediate commands and the leaders who chair our state and municipal committees."

And it adds that trained PAN leaders are needed at present "to preserve in our party the values that have lent it solidity, influence and credibility. They must be effectively prepared in every area of politics and modern technologies" and have a "clear philosophical position," inasmuch as they are the ones in charge of rekindling "the mystique in our staffers to preserve the moral conception of politics in them."

Alvarez de Vicencio, the author of "Alternativa democratica," a required PAN textbook on the party's ideological history, indicates that the first application of this latter program will conclude "when the party turns 50 next September."

Those interviewed agree that aside from financing these two training programs, the public monies will also be allocated to the area of communication and information and to the screening of the list of voters.

Not a single cent will go to current spending, which will continue to be financed with the weekly drawings for cars; dues from the national council members; compulsory fees from the activists, with neither a minimum nor a maximum; public collections; donations from sympathizers, dances, dinners, bazaars, raffles and any resources that volunteers nationwide can secure.

And this is besides the 33 percent of their per diem allowance that the party's deputies living in the Federal District and greater urban area turn in and the 23 percent from those living in the provinces.

The National Action Party's finances are in very good health, neither confronted with debts nor running a deficit. Its headquarters has a payroll of 56 employees, including supervisory and administrative personnel. The net payroll totals 35 million pesos a month. The highest salary that it pays its national leaders is 1.5 million pesos a month, and the minimum is 15 percent above the national minimum. All PAN personnel are affiliated with the IMSS [Mexican Social Security Institute] and receive an annual bonus equivalent to 1 months's pay and extra vacation pay. With the exception of PRI, it is the financially soundest party (PROCESO 626).

And now it will be receiving public financing, which in the view of Jesus Ramon Rojo Gutierrez, the treasurer of the National Executive Committee, is less than it really deserves:

"Because at the recent elections the government stole votes from us and, consequently, seats and financing. They took more than two million votes from our presidential candidate Manuel J. Clouthier alone. Although the financing regulations already appear in the Electoral Code, their foundation has been undermined; this is why we are proposing amendments to the electoral law."

* Public Funding for Parties Summarized

Mexico City PROCESO in Spanish No 629, 21 Nov 88 p 21

[Report by Rodrigo Vera]

[Text] The public financing to be distributed to the political parties in accordance with the results of the 1988 elections will total 120 billion pesos, based on a minimum cost of 50 million pesos for a federal deputy seat campaign and 3,385 pesos a vote, according to a rough estimate by the National Action Party.

Humberto Rice Garcia, who is in charge of this analysis and the executive secretary of the blue and white party, gives the percentage subsidy that each party will receive in accordance with its harvest of votes: 52.13 percent for the Institutional Revolutionary Party; 19.26 percent for PAN; 8.26 percent for the Party of the Cardenist Front for National Reconstruction (PFCRN); 7.89 percent for the Popular Socialist Party (PPS); 6.1 percent for the Authentic Party of the Mexican Revolution (PARM); 4.16 percent for the Mexican Socialist Party (PMS), and 2.2 percent for the 22 deputy seats that the Cardenists won jointly and that do not belong to any specific party.

Combining the percentages of the parties and deputies that allied themselves with the National Democratic Front [FDN] (PFCRN, PPS, PARM and PMS), together they will receive 28.61 percent of the public financing for the parties.

In monetary terms, the parties will receive the following amounts: PRI, 62.556 billion pesos; PAN, 23.112 billion; PFCRN, 9.912 billion; PPS, 9.468 billion; PARM, 7.32 billion; PMS, 4.992 billion, and the Cardenist deputies will get 2.64 billion. The amount that the parties grouped together in the FDN will receive will be 34.332 billion pesos.

The political parties will receive 20 percent of their subsidy in 1989, 30 percent in 1990 and the remaining 50 percent in 1991.

Rice Garcia explains that under the election laws, the money that would have gone, by vote total and campaign cost, to the parties that lost their registration (the Mexican Democratic Party and the Revolutionary Workers Party) will be apportioned among the parties that are still registered.

*** Action on Drug Threat, Moral Renovation Urged**
32480040 Mexico City EXCELSIOR in Spanish
10 Nov 88 pp 1-A, 10-A

[Lorenzo Meyer commentary: "Partisan Treatment of the Camarena Case"]

[Text] The international world is a brutal place where failures are not forgiven, especially when they are foreign in source and can be used by a great power to explain and excuse its own institutional and moral shortcomings. Therefore the failure of the so-called moral renewal policy of the Mexican Government which is now ending its term (which can perhaps be explained, but cannot be denied, much less justified) has once again become front-page news in the United States. At the beginning of his government term in 1982, Miguel de la Madrid had already decided that in order to deal with the economic crisis with which he, together with the incumbent Jose Lopez Portillo, was faced, a radical change in economic strategy was needed. The central idea of his program was to transform, at almost any price, the old economic model, based on protection of the domestic market to the benefit of an inefficient industrial sector, into a different model, one oriented toward export, which would minimize the role of the government as producer as much as possible and would subject private enterprise to the difficult rules of international competition. The social cost of this so-called "industrial reconversion" would be high and would have to be paid by almost all of society—in particularly inequitable fashion. Perhaps for this reason, Miguel de la Madrid decided to offer those who would have to make the sacrifice a kind of compensation of a noneconomic nature. This was to be the systematic and serious battle against governmental corruption, with assurance of the real exercise of political democracy. Both policies gave up the ghost along the way.

The promise to effect a housecleaning in the enormous administrative apparatus of the Mexican state was made in a solemn tone, and immediately, the pertinent bureaucratic agency, the Secretariat of the Office of the Comptroller General, was created. The trials which then began against the former officials in the traditional centers of corruption—Mexican Petroleum (PEMEX) and the Mexico City police—seemed to be the beginning of fulfillment of the promise. However, we now know that this was not the case. For all practical purposes, the initial chapter in this policy was also the last. After the first two, no leading personages of the past era suspected of having accumulated wealth by illicit means (and there are many who are found in this category) were ever brought to the defendant's bench, much less ever saw imprisonment. In reality, there was no investigation in depth of the cases of the pair of scapegoats with which the famous moral reform policy was launched, either. Worse still, the public soon came to realize that the corruption and the arbitrary authority of minor public employees, policemen and department clerks, as well as the major officials (the governor, secretary of state and director general) were continuing more or less the same as before. And as if this were not serious enough in itself, a new sector of corruption became visible to the public eye, one of gigantic proportions and with most unpleasant international implications for Mexico—drug trafficking.

It is on this last point that the magazine TIME decided to make a strange assessment of De la Madrid's government in its 7 November issue, and in the end to bid him farewell in a way which was excessively painful for any Mexican with a minimum of sensitivity where what is called "national dignity" is concerned. As everyone knows, the cover story in the North American edition of TIME which has just appeared on the newsstands is devoted to a re-examination of the murder of Enrique Camarena, an agent of the North American Drug Enforcement Administration (DEA), in Guadalajara in 1985. He was allegedly assassinated on the orders of drug traffickers Rafael Caro Quintero and Ernesto Fonseca Carrillo. This issue of one of the magazines with the widest circulation and influence in the United States and throughout the world came out on the very eve of the presidential election in the United States, just when the subject of the relationship between the government in Washington and those countries which, like Mexico, are involved in the drug traffic, has become one of the central issues in the ferocious campaign of accusations mutually undertaken by the Republican and Democratic presidential candidates in the United States in their systematic attempt to discredit each other. Finally, the return of the Camarena case to the front pages coincided with the moment when Miguel de la Madrid was to transfer power to his successor, and therefore it must inevitably be seen as a kind of macabre farewell to the policy of moral renewal. Is this merely a series of unfortunate coincidences for the Mexican Government, or something more? I do not have the information with which to answer this question, but in any case, there can be no doubt that TIME put its finger on a very sore point for the United States, and above all, for Mexico—the issue of promises never kept and opportunity lost.

Unlike the paranoid full-page spread placed in some influential North American daily newspapers in October by a phantom, but extremely conservative, organization, announcing the beginning of a civil war in Mexico between the Cardenas supporters and the Institutional Revolutionary Party (PRI), the TIME article on drug trafficking, which included excerpts from a book entitled

"Desperados, Latin American Drug Lords, U.S. Lawmen, and the War America Can't Win," from the pen of Elaine Shannon, appears wholly credible. And what is worse, this article will reach several million readers inside and outside the United States. It is these readers precisely who make up the nucleus of North American public opinion, and to a certain extent, world opinion.

The extract from the book by Shannon, who was a reporter for NEWSWEEK, first, and later for TIME, is well written and concise in a flexible prose style, and it is filled from beginning to end with moral indignation which can readily be shared by the typical reader of the magazine. There we find not only the drug traffickers, such as Caro Quintero, Fonseca, and Miguel Angel Felix Gallardo, whose photographs are entirely consistent with what is expected of individuals in trouble with the law, but also their accomplices in the Federal Security Directorate, the Federal Judicial Police, and the Bravo family, which was martyred in Michoacan by the police in a futile effort to push the blame for what happened to the DEA agent onto the shoulders of individuals who in the end only became further victims. Also visible, although in shadowy form, are the U.S. diplomats and officials high in the DEA who failed to provide their agents in Guadalajara with proper support, leaving them instead to the mercy of the corrupt Mexicans. Also included are the dates, the motives, the evidence, the macabre details of the torture, the suffering of the wife, etc.

The nine full pages TIME has devoted to the Camarena case are a marvel of accusation against the Mexican Government as a whole, from the base to the summit. Although there are chapters in the book devoted to Colombia, Panama, Bolivia and Peru, TIME made use only of the material about Mexico. This is an accusation based on a one-sided examination of the phenomenon of drug trafficking. TIME focused on only one side of the coin, the Mexican side, excluding the other, the U.S. side. Who sells the drugs in the United States? Who "launders" the money of the Mexican drug traffickers in the United States? And so on. But in the final analysis, what TIME said is not false. The North American reader and perhaps those abroad will therefore have no difficulty identifying with the indignation of the author, and reaching the same conclusion. The responsibility for the failure of the campaign against drug trafficking on the Mexican front is basically one which falls directly on the shoulders of a police and governmental apparatus which was not only corrupt to the bone, but openly criminal, and should be treated as such, without the hesitation evidenced to date, in the opinion of the author, by Ronald Reagan's administration. In her book, the author accuses that administration of being more interested in persecuting the alleged communists in Central America than those who have truly done harm to millions of U.S. citizens—the drug traffickers and their accomplices disguised as agents of law and order.

The final part of the long article is the portion containing the political message. What happened in Guadalajara more than 3 years ago is continuing to happen today. After the assassination, hundreds of corrupt Mexican policemen were removed from their posts, but others who were similar took their places. The police and the Army, the author says, continue to serve and protect the drug traffickers. The individual actually responsible for the murder of Camarena and his pilot has still not been arrested. Basically, the article concludes, almost nothing has changed. De la Madrid failed, and "someone important, very important, in Mexico City is responsible for the continued concealment where the assassination is concerned." In short, according to the article, the government in Washington has the duty and obligation to continue to exert pressure on Mexico until justice is done and a veritable policy to eliminate drug trafficking is established in that country.

As can readily be understood, with other articles of this nature and the publicizing of what has been noted here, any request the Mexican authorities may present to their colleagues in the United States for "special treatment," in view of the economic problems with which they are faced, the debt in particular, may encounter resistance on the part of the people north of the frontier, who will see no reason for this type of "concession." On the contrary, the opinions of those who are demanding that the Mexican leaders be measured by the same standard which the Reagan government is using today for Noriega or Fernando and Imelda Marcos, in other words judging them as common criminals rather than statesmen, may be echoed by the residents north of the boundary.

Whether he likes it or not, the president who is about to assume office in Mexico must now include on his international policy agenda a plan for dealing with the problem of drug trafficking, because there are many forces to the north of our frontier which will continue to insist on blaming foreign factors, at least in part, for what is basically a domestic problem—drug addiction. The fact that to date Mexico has been a model nation in fulfillment of its obligations to the major international banks, and is following the instructions of the International Monetary Fund to the letter where the reform of its economic system is concerned, will not suffice to block attacks like those originating with Elaine Shannon and TIME. In the eyes of those who live north of the Rio Grande, Mexico's excellent treatment of bankers does not suffice to justify the alleged special handling of drug traffickers.

As if all of the above were not enough, and apart from whether or not there is international pressure, the security of the Mexican state demands that the growth and establishment of a power nucleus based on drug trafficking be prevented, because the example of Colombia shows that beyond a certain point, the traffickers in drugs can exert real control and influence over legions of

individuals and policies, equal to or greater, in fact, than what the government can command.

Finally, and this is perhaps the most important thing, moral renewal, and democratization as well, are among the major promises the outgoing government failed to keep, but which it has become more urgent to keep today. The legitimacy and the strength of the government which will soon take up its duties are so weak that it cannot afford the luxury of again ignoring the social demand, extending to all classes and parties, for a frontal and systematic attack on the traditional and deeply rooted corruption in the government.

200 Kg of Cocaine Confiscated in Zacatecas

FL2112151888 Mexico City NOTIMEX in Spanish 1846 GMT 18 Dec 88

[Summary] Mexico City, 18 Dec (NOTIMEX)—The Federal Highway Police (PFC) have confiscated 200 kg of cocaine and detained two drug traffickers in the State of Zacatecas. Rafael Munguia and his companion were arrested as they attempted to transport the cocaine to the State of Nuevo Leon from where it would have been transported to the United States by an unidentified third person.

El Salvador

Vides Casanova Rejects Cease-Fire Offer

PA2112221288 San Salvador Radio Cadena YSKL in Spanish 1700 GMT 21 Dec 88

[Text] Salvadoran Defense Minister General Carlos Eugenio Vides Casanova has turned down the rebels' proposal for a Christmas cease-fire. He said the proposal was not discussed during the Council of Ministers' meeting at the presidential palace this morning, which was presided over by President Jose Napoleon Duarte. Gen Vides Casanova said the Armed Forces have the duty of protecting the people.

[Begin recording] [Vides Casanova] We have a responsibility to fulfill. The Constitution does not say we can work or stop providing security whenever we want. There are other ways to establish a cease-fire if the president deems it appropriate. But we have received no instructions on this, so we will continue to do our duty according to the Constitution.

[Reporter] From a military standpoint, what do you think about a possible cease-fire?

[Vides Casanova] I think a cease-fire would be established if the rebels would just stop setting off bombs. We are only protecting the people. We are not the ones attacking the people. The terrorists want a cease-fire for their own sake. What they must do is give the people a break. The Armed Forces have not asked for anything. If the terrorists want to keep on attacking, we will keep defending the people and ourselves.

[Reporter] Has this proposed cease-fire been discussed?

[Vides Casanova] We have not discussed it and we have no reason to. Should there be any future instructions or agreements, then we will have to make the necessary arrangements. But neither President Duarte nor we have considered such a cease-fire.

[Reporter] Is it possible the rebels would increase their attacks if a cease-fire is not agreed upon?

[Vides Casanova] Yes. Whenever a cease-fire is to be declared, the rebels increase their attacks, then they receive more weapons, deploy their forces, and declare another cease-fire. We cannot believe they intend to establish a cease-fire; they have been saying all businesses and large areas are military targets, and they have been causing blackouts. If they are tired, let them establish a cease-fire and rest. If they rest, the people will. We are protecting the people.

They have been harassing the Armed Forces on a small-scale basis everywhere. They are trying to create an image of strength in order to establish a cease-fire and later try to convince the people that a dialogue and negotiation is what is required. This is their purpose. But their actions have consisted of only small-scale harassments. They attack for 1 or 2 hours, maybe wound or kill one or two. They go to a farm and destroy facilities; these are not truly military actions, but purely terrorist actions that gradually create more and more unrest in the people and diminish the people's support [for the rebels].

[Reporter] What degree of control do you think the Armed Forces have in the country at the end of the year?

[Vides Casanoava] We have been offering security to the people. Nevertheless, it is never possible to cover every single area. The rebels have threatened everybody. For instance, they have threatened all shops, businesses, and large corporations in San Salvador. It is easy to perpetrate terrorist actions here. If the people ask us one day to demonstrate what terrorism can do, you would see that 50,000 men with two grenades a day could destroy all of San Salvador. So this kind of action is no big deal. It does not take a hero to throw a grenade at a business.

[Reporter] General, will counterinsurgency operations continue during the Christmas season?

[Vides Casanova] Yes, operations will continue. But at this time of the year we emphasize security and patrol operations rather than offensive actions, unless they are necessary. [end recording]

The defense minister said he had no reason to discuss this rebel proposal and that counterinsurgency operations will continue as usual. The FMLN set a deadline, ending today, for the government to agree on a cease-fire that would begin 23 December and end 1 January. The rebels said otherwise they would increase their actions throughout the nation, particularly in the capital.

AID Employees Reportedly Abducted by FMLN

PA2112203588 San Salvador Radio Cadena YSKL in Spanish 1 1700 GMT 21 Dec 88

[Armed Forces Press Committee Report—date not given]

[Text] FMLN terrorists killed peasant Manuel Arquina, who refused to cooperate with the FMLN-FDR groups. The crime took place in Santa Cruz La Bella Farm of San Francisco Chinameca, La Paz Department.

Also, FMLN-FDR terrorists kidnapped Ernesto Palomo and Miguel Lara, employees of the Agency for International Development, AID, while they engaged in community work. This occurred over the past weekend in the San Antonio Farm, El Triunfo Jurisdiction, Usulutan Department. According to inhabitants of the region, the terrorists took the victims toward Sesori in San Miguel Department.

FMLN-FDR members killed Carlos Martinez Terry, a former soldier, for serving in the Armed Forces. This new human rights violation occurred in San Francisco Chinameca, La Paz Department.

D'Aubuisson on FMLN Election Threats

PA2212035688 San Salvador Radio Cadena YSU in Spanish 1200 GMT 21 Dec 88

[Text] Major Roberto D'Aubuisson has said the FMLN is threatening people in different areas of the country so they will vote for the Democratic Convergence in the upcoming elections. The ARENA [Nationalist Republican Alliance] leader said he has an FMLN document titled "Basic Facts" ["Elementos de Juicios Iniciales"] on FMLN plans for the upcoming elections. The document mentions activities to be carried out by the rebels in light of the elections and contemplates the possibility of a sacrifice. According to D'Aubuisson, the sacrifice could be the execution of Mario Reni Roldan, the Democratic Convergence vice presidential candidate.

Tecoluca Mayor Resigns After Death Threats

PA2112234688 San Salvador Canal Doce Television in Spanish 0300 GMT 21 Dec 88

[Text] Alberto Mauricio Alvarenga, mayor of Tecoluca and a member of ARENA [Nationalist Republican Alliance], resigned today because of guerrilla threats. According to the mayor, the FMLN gave him 72 hours to leave his post or be killed.

This brings to four the number of San Vicente Department mayors who have resigned. The mayors of Apastepeque, San Ildefonso, and Santa Clara have already resigned.

Meanwhile, ARENA today introduced to reporters the mayor of Chinameca who denied that he has resigned. Two mayors of San Miguel have also been threatened by the FMLN.

La Libertad Town Attacked; Garrison 'Destroyed'

PA2112232588 San Salvador Radio Cadena YSU in Spanish 1200 GMT 21 Dec 88

[Report by David Marcial Marrigal]

[Text] Early in the morning of 21 December FMLN rebels raided San Jose Villanueva, south of San Salvador, La Libertad Department, where they set fire to the ANTEL [National Administration for Telecommunications] office and destroyed the local garrison. According to a government report received a few minutes ago, they also killed the local Civil Defense commander.

Army and police units combed the area this morning to try to defuse bombs that the rebels might have planted in the town streets. It has also been reported that a clash occurred on the town's outskirts where reportedly several were killed and several wounded.

Report on Recent FMLN Operation Broadcast

PA2112202088 [Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 21 December carries approximately 10 minutes of battle reports from the Feliciano Ama Front in Santa Ana related to the FMLN regional operation "All the People To Fight Against Hunger and Repression; All Get Ready for Insurrection."

The report says that "during the night of 19 December, FMLN forces began the regional maneuver." Among the actions carried out during the course of this operation, the report mentions that "at 2330, FMLN military forces attacked the electric power substation in El Salamo, near Santa Ana, totally destroying the installation and inflicting a considerable number of casualties on the enemy." It also says that FMLN guerrillas attacked a civil defense post in Ahogado Canton, Metapan Jurisdiction, inflicting three casualties on the Army."

The same report says that "guerrillas also ambushed a truck transporting Customs policemen near the 45 km marker on the highway linking Santa Ana and San Salvador, inflicting five casualties on the puppet Army." The report from Santa Ana concludes by saying that the enemy sustained 11 casualties as a result of this maneuver.

Honduras

Peace Corps Accused of 'Obstructing Justice'

PA2112182288 Managua Radio Sandino in Spanish 1200 GMT 21 Dec 88

[Text] A Honduran judicial official yesterday accused the leaders of the U.S. Peace Corps in Tegucigalpa of obstructing justice and damaging national sovereignty. Daniel Rivera, secretary of the First Criminal Court in Tegucigalpa, accused Peace Corps Director (Peter Stevens) and Assistant Director (Michael Jenkinson) of barring his entry to the organization's headquarters, which were destroyed by a dynamite attack on Monday. Rivera said that even though he properly identified himself upon appearing before these officials to begin his investigation, they told him that he first had to request permission from the U.S. Embassy in Honduras to enter the building. The Honduran official said that he intended to set a precedent with these Americans, who do not respect Honduran legal procedures, disregard the law, and debase Honduran sovereignty.

Nicaragua

Ortega Terms Honduran Reaction 'Propagandistic'

PA2112215688 Panama City ACAN in Spanish 2054 GMT 21 Dec 88

[Excerpts] Managua, 21 Dec (ACAN-EFE)—Nicaraguan President Daniel Ortega today described as "propagandistic" the Honduran Government's initial reaction to

the decision by the International Court of Justice [ICJ] to hear a dispute between the two nations. Honduras has characterized the decision as "political and not judicial."

At the end of a tour of various Managua neighborhoods, Ortega said the "Honduran Government must accept and heed the ICJ ruling just as it did in 1960 when it accepted the ICJ's ruling granting Honduras rights over 19,000 square km that belonged to Nicaragua."

The Nicaraguan president said that he hopes Honduras' initial reaction is "propagandistic" and that "it will not affect the international legal system." [passage omitted]

Ortega stressed that "to refuse to respect the ICJ decision is to threaten the international legal system," and he added that the Honduran authorities "should not subordinate the Hague decision to the Esquipulas II regional peace process."

Carlos Nunez Speaks at Assembly Session

PA2212041588 Panama City ACAN in Spanish 0119 GMT 22 Dec 88

[Text] Managua, 21 Dec (ACAN-EFE)—Commander Carlos Nunez, president of the Nicaraguan National Assembly, today said he hopes that next year the new U.S. Administration "will recognize that frank dialogue is the way to achieve peace" in the region.

Delivering a report on the fourth legislative session of the Nicaraguan National Assembly, Nunez said that the U.S. "military option is not feasible" and that the "defeat" of the contras is but "the confirmation of the failure of the [U.S.] Central American policy."

Commander Nunez, one of the nine members of the FSLN Directorate, said that "our greatest desire is for the new U.S. Administration to recognize that in contemporary history, the way to achieve peace is through frank dialogue and the rational discussion of the issues."

At the end of the speech, Nunez stressed Nicaragua's willingness to continue struggling for peace and to comply with the Esquipulas II regional peace agreeement.

The ceremony was attended by Nicaraguan President Daniel Ortega, members of the diplomatic corps accredited to Nicaragua, and the government cabinet.

According to a law passed by the National Assembly 3 weeks ago, from now until 21 February Daniel Ortega takes over the legislative functions and will have the power to approve laws.

Contras Allegedly Kill, Wound Children 18 Dec

PA2112180288 Managua Radio Sandino in Spanish 1200 GMT 20 Dec 88

[Defense Ministry communique]

[Text] On 18 December, a group of contras killed an 18-month old girl and wounded a 4-year old boy in Villa Alvarez neighborhood, 6 km northeast of El Almendro, Rio San Juan Department.

The girl's name was Carolina Baez Tellez.

Issued in: Managua on 19 December 1988.

[Signed] Defense Ministry's Public and Foreign Relations Directorate

Panama

Delvalle, Noriega Representatives 'Hold Talks'

PA2212042988 Madrid EFE in Spanish 0330 GMT 22 Dec 88

[Excerpts] Washington, 21 Dec (EFE)—Deposed Panamanian President Eric Arturo Delvalle, who tomorrow will meet with President Ronald Reagan and President-elect George Bush, held an "honest discussion on Panama" with Secretary of State George Shultz today. [passage omitted]

Panamanian sources who asked to remain unidentified have told EFE that representatives of Delvalle and Noriega recently held talks in Mexico to find a solution to the crisis.

According to the sources, one of the meeting's participants on behalf of Delvalle was Jose Bernardo Cardenas, Delvalle's commerce minister and political adviser, who attended today's meeting between Shultz and Delvalle. [passage omitted]

Civic Crusade Leader Brenes Exiled to Miami

PA2112183388 Panama City ACAN in Spanish 1744 GMT 21 Dec 88

[Text] Panama City, 21 Dec (ACAN-EFE)—Panamanian opposition leader Roberto Brenes, who is president of the Panamanian Association of Business Executives (APEDE), was exiled today to Miami, Florida, 12 hours after his arrest, relatives reported today.

Brenes called his wife Mercedes Eleta at noon today from Miami and told her that he had been placed on a plane early this morning by Panama Defense Forces (Army and Police) [FDP] units, that he was well, and that he had not been mistreated.

Shortly before receiving word of Brenes' whereabouts, the opposition leaders' attorneys had filed a writ of "habeas corpus" to find out how he was and why he had been arrested.

Brenes' wife told newsmen that her husband was arrested by a group of policemen under the command of Major Felipe Camargo at approximately 0830 at night (0130 GMT today) at his home in the capital.

His wife added that last night, when she asked the police the reason for her husband's arrest, one of the policemen replied that it was "for being a good guy."

The authorities thus far have not officially reported the case.

According to his relatives, Brenes said during his telephone call from Miami that he spent the night talking to Major Camargo about the political situation in Panama, after which they made him sign a paper declaring that he had not been mistreated and took him to the airport.

Mercedes Eleta said that so far she does not know the reason for the arrest and exile of her husband, who is a leader of the Civic Crusade organization that is calling for the ouster of General Manuel Antonio Noriega, commander of the FDP.

Last year, Brenes, fearing he would be arrested, took asylum in an embassy and left for the United States, where he lived in exile for several months.

Tax Document Needed To Obtain License Plates

PA2112164388 Panama City CRITICA in Spanish 21 Dec 88 p 1

[Text] The Finance and Treasury Ministry's Revenue Directorate has ordered all municipalities in the Republic to demand the national tax clearance certificate [paz y salvo nacional] from every citizen requesting vehicle license plates.

According to this regulation, individuals without a national tax clearance certificate will not be able to obtain license plates for 1989.

Revenue Director Ricardo Levi said that this measure goes into effect today and will be strictly applied to all citizens so that they comply with the country's fiscal regulations.

Canal Unions Protest Attachment Proceedings

PA2212011788 Panama City Circuito RPC Television in Spanish 2300 GMT 20 Dec 88

[Text] Canal area union representatives have asked Panamanian authorities to suspend the attachment proceedings against Panamanian employees working in the canal area who have not paid their income taxes.

The U.S. Government has discontinued its payment of all taxes to the Panamanian Government for the past several months. Canal Workers' Association [Asociacion de Empleados del Canal] representative Julio Cisneros discussed this issue:

[Begin recording] [Cisneros] Since yesterday, the unions and the Canal Workers Association have approached the chairmen of the [Legislative Assembly's] Finance and Canal Commissions to advise them of the need to achieve peace in the Panamanian family, especially this week. The unions feel it is necessary to declare a truce in this dispute, which began on 16 December, dealing with the attachment proceedings against canal employees. The representatives here today have formed a united front to ask the minister in charge of the Presidency to reconsider. This way, canal employees will be able to enjoy the spirit of Christmas and the New Year.

The unions are awaiting a response from the executive branch to the request we submitted yesterday. We have issued a communique today that is aimed at giving Panamanian canal employees hope that the executive branch will accept the petition we presented at yesterday's and today's meetings.

[Reporter] If the government does indeed take these actions, how many Panamanians would be affected?

[Cisneros] Over 7,000 Panamanian employees are on the Panama Canal Commission's payroll and the U.S. Armed Forces...

[Unidentified speaker, interrupting] Almost 5,000 Panamanians.

[Cisneros] Therefore, there could be attachment proceedings against all employees. Proceedings against 10 employees began today and we do not know how many more will begin. [end recording]

Columnist Backs Actions Against U.S. Employees

PA2212023088 Panama City LA REPUBLICA in Spanish 20 Dec 88 p 3

["Vox Populi" column by Luis Restrepo: "Let Them Not Be Mistaken"]

[Text] Some Panama Canal Commission [PCC] employees recently visited the U.S. State Department to warn U.S. officials about the risks to which they are exposed by owing money to the Panamanian National Treasury due to President Reagan's arbitrary and stupid decision. This columnist has been told that the Panamanian employees met the arrogant Michael Kozak, whose answer was like that of a New York stevedore: "The Panamanian Government barks but it does not bite."

According to information this columnist has, he [Kozak] mentioned the Panamanian Government warnings—not carried out—of raiding the residences of "Zonian"

employees who are smuggling goods from U.S. Armed Forces stores, confiscating packages arriving in the U.S diplomatic pouch, cutting off public services not being paid for by the United States, and evicting U.S. Armed Forces employees living in Housing Ministry houses whose rents have not been paid.

In view of these circumstances, [Finance] Minister Goodin should implement every measure to collect the taxes owed to the Republic of Panama by the PCC, the U.S. Army, and the U.S. Embassy because the laws call for this and because thousands of Panamanians—due to the United States' fiscal aggression against Panama—are being deprived of basic services because of our government's fiscal limitations.

On the other hand, the "Zonians" argue that when Finance Minister Orville Goodin and Internal Revenue Director Dr Ricardo Levy were summoned by the Legislative Assembly to answer a political questionnaire drafted by Christian Democratic Party [PDC] legislators, the PDC legislators supported [U.S. representative to the PCC Board of Directors William] Gianelli and [PCC Secretary Michael] Rhode by maintaining that the employees had already paid the taxes, which had been deducted from their salaries and given to the Eric Arturo Delvalle government. Therefore, the PDC deputies were in agreement with the U.S. position.

Panamanian PCC employees are victims—to the same extent that the rest of us citizens are—of this vile economic aggression imposed by President Reagan on Panama. As an additional violation of the rights of those Panamanians, Mr William Gianelli responded to the complaints [by saying that] he "would reimburse the employees for any property they lose."

Panamanian Finance Ministry and Internal Revenue Directorate officials are simply protecting national interests. The law clearly orders the collection of overdue taxes and the establishment of appropriate penalties for trying to evade paying taxes.

Once again, it is clear that by taking such arbitrary measures the United States is seeking confrontation between Panamanians working for the PCC and Panamanian authorities.

Commission Lifts Checking Accounts Restrictions

PA2212023388 Panama City Televisora Nacional in Spanish 2300 GMT 21 Dec 88

[Statement by National Banking Commission President Mario de Diego; place and date not given—recorded]

[Excerpt] During a 19 December meeting of the National Banking Commission, it was decided to lift all restrictions on demand deposits [deposito a la vista], or checking accounts. The restrictions on these demand deposits will expire on 31 December 1988. The Banking Commission has decided to allow the restrictions to expire and release the demand deposits as of 1 January. This means that there is no reason why a check, the most commonly used method of payment, should not be accepted for any type of commercial transaction .

I also want to explain briefly about a situation that has given rise to some comments and confusion among the people. I am referring to Certificates of Investment Deposits, better known as CEDIS. From the very beginning, any person with restricted savings or time deposits could purchase CEDIS with these restricted funds. This has not changed. CEDIS are negotiable documents that can be bought by those persons with restricted savings and time deposits. These documents, as the original document states, are investment documents, must be issued by the banks, and their expiration date can be no less than 3 years after issuance. Exceptions to this rule can only be made by the issuing bank. In those cases, the CEDIS can be cashed in 1 year after issuance. But under no circumstances can they be cashed in before then. The CEDIS may be used for any type of transaction. [passage omitted]

Budget Official Discusses Declining Revenues

PA2112194088 Panama City Telemetro Television in Spanish 2300 GMT 20 Dec 88

[Text] Jaime Fernandez, member of the Budget Commission of the Legislative Assembly, has warned that budget projections for 1989 are very uncertain and that the ones who will be sacrificed are the public employees. He stressed that Panama's economic depression will continue and the government will find itself forced to reduce its payroll.

[Begin recording] [Fernandez] We realized that it was actually a waste of time because it was all... [corrects himself] most of the budget was conditional—if we collect, we pay. And we see that the economy is decaying. Everything is sinking. This means that the central government will not collect most of the revenues in 1989 that it is supposed to.

Sooner or later the government will have to reduce its payrolls and make extraordinary readjustments to be able to operate beyond 1989. If not, I foresee a very difficult year for the executive branch and for the central government.

[Reporter] Can the state operate in 1989 with same amount of money that was budgeted for 1987?

[Fernandez] Look, all of this is actually in theory and on paper. The state is working with the Treasury's daily collections. This is the money with which it is making its payments. Proof of this is that it was not until today,

20 December, that it paid the salaries of public employees for the first half of December.

It is hard to imagine that we can adjust to the 1987 budget. That is mere paper. The state is using what little it receives to pay its salaries. The only thing the state is doing now is meeting its payroll obligations.

We see no investments being made. Investments in 1989 have been totally canceled. What remains for the state to do at this moment is to readjust its payroll and to try to make other savings it has to make. As I said, it would have to do this in an enormous way to be able to subsist next year. [end recording]

Argentina

Alfonsin Addresses Congress on Military Issue

PY2112152088 Buenos Aires Argentina Televisora Color Network in Spanish 1200 GMT 21 Dec 88

[Speech by President Raul Alfonsin to a special joint session of Congress in Buenos Aires—live]

[Text] Honorable members of Congress:

Just a few days ago this government, whose main responsibility has been and still is to rebuild the nation and ensure that the representative and federal system of government prevails in our society now and in the future, marked its 5th anniversary.

However, on that 10 December, which should have been a day for rejoicing and a source of new hopes, anxiety prevailed in Argentina because threats were looming over its future.

In view of these threats, it is the president's duty to explain to the people, through their representatives, the extent of the crisis we are facing.

The power that the people's votes vest in a democratic government can be legitimate only if that government tells the truth. The responsible exercise of this power will help dispel the doubts and ambiguities that are threatening to arouse conflicts among Argentines, thus making useless the sacrifices that the people and government have had, and will continue to have, to make to ensure coexistence.

Therefore, we should now get our ideas straight, otherwise confusion will lead us to irrational confrontations like those that kept the country from progressing and full of sorrow for a long time.

Although the latest mutiny is over, doubts and questions are still afloat. In fact, they have taken shapes that we believe to be even more dangerous than before, because there is a lot more confusion now.

The president of the nation has repeatedly called for an exchange of ideas and has invited dissent within the framework of freedom. This is what politics is all about in keeping with the ethical principles of democracy.

However, a system that allows the coexistence of different positions, as should be the case in any democracy, must not be mistaken for a clash between inflexible positions leading to destruction and death. This is the kind of conflict that is being promoted now between civilians and the military.

I am the president of all Argentines, irrespective of their political positions and the ideas for which they are legally struggling within the democratic framework. I am the president of all Argentines, whether they wear a uniform or not.

Many times I have addressed the difficulties that plague the transition to the democracy over which I have presided. Sometimes I focused on the problems of political transition. I have also addressed, recently in fact, the enormous obstacles on the path of economic transition without which any success attained by the political transition would be so weak that every gain obtained thanks to the maturity and participation of the people as a whole, would be jeopardized.

Now is the time to address the military transition. Our gradual loss of respect for the law has been the main reason for our decline. For many years Argentina has had an inclination toward direct action, toward illegal attacks, toward explicit or implicit violence, toward the pursuit of personal interests outside the law. It would be absurd to blame any single sector for this attitude and free everyone else from guilt.

Even in the cases of coups d'etat, regardless of the responsibility that the military may have had over the operational aspect of the coup, we should not forget that civilians are to blame for providing the ideological inspirations of the coups.

We have said this before, but I would like to repeat it once more: coups have always reflected a loss of respect for the law of the entire society, not just among the military. Coup-worshiping can be eradicated only if society is prepared to engage in self-criticism. The arbitrary nature of frauds, the misuse of power, authoritarianism, discrimination against minorities, and direct coup-related actions, are all components of a scenario of widespread implicit or explicit violence which created an atmosphere of decay which enveloped almost all of the Argentine society and provided the breeding ground for terrorism.

To fight terrorism without doing something about the atmosphere that gave rise to it or, worse still, to fight terrorism within the framework of this atmosphere, is useless. It may be temporarily eradicated, but the causes that gave it birth would remain untouched.

Thus, the struggle against terrorism can be successful only if it becomes an inner struggle in all of us, a struggle of the Argentine society as a whole against the very roots of its own cultural decline.

Terrorism cannot be defeated without dealing with all the other aspects of lawlessness. Either we get rid of all of them or terrorism will remain latent within ourselves.

No mistake can be greater than to demand the survival of authoritarian frameworks, organizations or behavior as a way of dealing with terrorism. To do so would be tantamount to making terrorism a gift of the very conditions necessary for its proliferation.

In fact, the approach one must take is the very opposite: we must undertake a huge cultural reform capable of restoring among us a widespread respect for rules and regulations that can guarantee respect for civil rights, that can build tolerance, protect freedom, and eradicate fear from Argentine society.

The only alternative to a lawless culture is a democratic culture. If we fight terrorism within the democratic framework, seeking to defend democracy, victory is assured. There will be no need to go to dramatic extremes because we would be dealing with a weak, isolated and undernourished terrorism, which would lack the cultural enviroment and the atmosphere of lawlessness that justifies it and strengthens its recruiting capabilities.

During the past few years, vast sectors of the Argentine society fell into the tragic error of believing that the best way to struggle against the terrorist plague was by sacrificing democracy. In this way terrorism changed sides and its methods of cruelty, violence, and scorn for life was used by other sectors that should have been fighting against them.

To establish direct state actions as an alternative to direct terrorist actions, invevitably involves copying, assimilating, absorbing and incorporating into the state and into those who are governing the state, the methods and practices of the violence that theoretically is to be suppressed. To wage this struggle under these conditions is to render the struggle meaningless.

Thus, internal security, as long as it means security against violence, against fear, against misuse of power, arbitrariness and arrogance, can only be guaranteed through the full compliance with democratic laws. This respect for the law must prevail not only in the internal structure of the state, but also in the minds of all Argentines.

This respect for the law will not be able to take root or attain total development if it is not applied to the judgment of past deeds.

We know well enough that there are some who mistake justice for vengeance. We also know that within the yet disorganized Argentine society there are disruptive forces trying to make believe that the defendants are not merely men, but the entire Armed Forces. I would like to make it clear that those who are doing so are offending the nation's institutions and the president himself because according to our Constitution, the president is the Armed Forces commander in chief.

We are talking about our Armed Forces, those who, when the last cavalry unit returned from the campaign in Chile and Peru, received the recognition of all the Americas for having gone beyond the borders of a nascent independent state with no other purpose than to ensure freedom for fraternal peoples.

But if it is serious when amid the civilian society tendencies emerge that will never gain strength, it is much more seious when, seized by some kind of madness or imprisoned by some sort of fanaticism, within the Armed Forces men emerge who provoke confusion. Definitely, these men cannot remain among us; we must avoid their dire and corrupting presence in our midst. This should be so because we all know that although all the years that have passed since 9 July 1816 have been filled with agreements and disagreements, light and shadows, joy and tears, the desired objective and the actions to attain it are, for the Armed Forces, still the same as those written in the document of our independence: to devote all our best talents and intentions to maintain freedom within the sacred order of justice.

It behooves us to prevent new distortions of that objective. Our society has long entered in crises, whose various political, economic, and organizational components have elicited confrontations that disregarded constitutional norms and institutions.

This process grew worse as the years passed, and it is only natural in a country where growth was gradually replaced by reduction. The Armed Forces could not, of course, remain outside that process. The Armed Forces at the service of the legitimate state for the protection against external aggression was turned at times into an armed branch of illegitimate powers to serve objectives that had nothing to do with the defense of the fatherland. The economy was in shambles, as were the state and the social fabric to a worse extent.

The Armed Forces cannot be a normal branch of the country's institutions when those institutions lose strength and fail to fulfill their missions. The issue now is not to place blame and responsibility—this is not our intention. And I do not believe it will be the task of historians who should objectively reconstruct the connection and significance of the events that took place. We all know that those turbulent and decadent periods of our history, the incitment to disregard the Constitution and to institute authoritarianism, had their origin in diverse sectors of Argentine society. In a country that slid backward instead of moving forward, the institutions lost sight of their functions. The men in arms, instead of being defenders of the national community, turned into leaders and administrators of that society, thus denying the very essence of the Armed Forces' role.

In a civilized, modern, and complex nation, even when a military man was successful in his government administration, he became a politician and ceased to be a military officer. This cannot be a valid proposition for

the entire armed institution. We can and we will be a modern and on-the-move country, and in that context, the Armed Forces will have a modern and creative role. They will never again be instruments of power illegitimately used, but true institutions of the state, made up of citizens who chose, among all other possible careers, the career of devoting their lives to defending the lives of all the citizens. And this generous choice should have an equally generous response from the rest of society—a free, democratic, and growing society. This response is what any military officer determined to defend his country deserves. How can one ask a man to put his life at stake for injustice, authoritarianism, and impoverishment? A man's life is worth much more, because life is the loftiest value of our civilization and it must only be sacrificed for social values and interests that are worthy of the dignity of life. It is so in the great and old countries of Western Europe from where our cultural heritage and a good portion of Argentina's inhabitants come.

Constitution, fatherland, progress, home, development, and social solidarity are basic values for Army officers who have proudly assumed the duty of defending the national community. We must provide our military officers the same possibilities for their pride, burying in history forever periods of tyranny and decadence that denied to all Argentines the possibility of playing a dignified role—even to our military officers. Our modern Armed Forces are destined, as in any civilized country, to be a fundamental mainspring of the state apparatus. Our modern Armed Forces have their origin in the Constitution and the law, which established their functions and significance. When the rule of the Constitution is set aside and obedience to the law is made a relative proposition, when the principle of the division of powers and the popular representativity of the rulers is violated, the Armed Forces cease to be the armed branch of the nation. They may take better or worse actions, either to improve or to worsen a situation, but thus acting, the Armed Forces operate in practice as an autonomous group of armed citizens. The Constitution wisely establishes that the nation's president is the supreme commander of the Armed Forces, thus giving them the status of a state institution. When there is no president elected according to constitutional provisions, the Armed Forces do not have a supreme commander and automatically lose their character as a state institution. Therefore, the intransigent defense [applause], the intransigent defense of the Constitution must be for the military officer—the defense of his own dignity, of the ethical and social character of his function, of his role as a legitimate member of the community in the exercise of a specific mission.

Our history of disagreements has been very long and tragic. We have been through splits in the civilian sector; we have had inefficient and cowardly leaders; some of our leaders, who had the honor of heading fundamental institutions in our republic, have often been irresponsible and led our nation to paths that should never have been accepted by the Argentine people; the laws and the institutions have often been disrespected and our national code of ethics has often been subverted.

In this deep moral crisis, each one of us must assume a share of the responsibility to the level in which we were all involved: those who, hiding behind selfish interests, sought the support of the armed institution to impose their will and break the will of the people and their institutions; those who silently accepted the imposition of force and violence; those who resorted to hatred and terror as instruments of political struggle, thereby sullying lofty values, spilling the blood of our youth; and those who employed the same methods for their retaliation. We Argentines said that it was enough of that nightmare, and drew a curtain of justice, clarification, and truth to put behind us a horrendous chapter in our history. It is timely to make here an appeal to the conscience of each Argentine, whatever his participation in the sad experience through which we lived, to exercise self-criticism and self- analysis.

We are rebuilding, from the rubble, the foundations of a modern Argentina. Rebuilding a modern country also requires the rebuilding of our Armed Forces in their specific role with regard to their definitive integration in our society. Otherwise, we cannot dream of a better future, of a new project of a nation traveling the path of growth and freedom. This can only be achieved through a common effective action with everyone playing their role. It befalls us, as leaders and members of a generation buffetted by violence and destruction, to rebuild the nation on the foundation of its original values. It befalls us to give satisfactory response to the demands of young generations who refuse to accept ambiguous answers and postponement of their aspiration of justice. We can see them decidedly marching toward a brighter future, determined to obliterate from our history useless confrontations and authoritarian impositions, rejecting the notions that might makes right, that obedience should be blind, that their conscience and acts can be manipulated.

They have seen their parents fighting, they have inherited a large number of disagreements, unfinished projects, and frustrated hopes which are the conflictive inheritance of an unattended country. We have been unable to give them the right answers and they were raised in an atmosphere of hatred and terror that created agression and violence to a paroxysmal degree.

Never before has Argentina suffered so much. Never before has so much will been overlooked. Never before have the arms of our nation, fighting for rebirth, been thus tied. Never before has it been as necessary as it is now to acknowledge the truth, to admit our mistakes, to reject methods and actions that must be avoided now and for evermore. Our society no longer admits that type of past experiences.

We have definitively put an end to authoritarianism, and to the unilateral decisions that subverted our institutional order. We have reestablished the constitutional, republican, democratic order as the only scenario in which people and institutions can realize themselves and fully develop their capacities. [applause]

We must, therefore, reorganize our ideas. The military transition cannot be considered a dispute over the dignity and honor of the Armed Forces or as a confrontation between civilians and military men. The honor of the Armed Forces is not at stake. In a democracy, whoever goes against the law must answer for it before the courts. The courts will judge his or her behavior, [applause] establish the consequences of the unlawful act, and decide to what extent this act will affect the person's name and honor.

This is the duty of the Judicial Branch, and it is extremely important. This duty is as important as the Executive Branch's duty of not meddling in the responsibilities of the other state branches. [applause]

It is evident now that these crises are a result of the unhealed wounds caused by the various interpretations given to the fight against terrorism. As a herald of society, in words and actions, the government has very clearly condemned the terrorist groups that, during the 1970's, committed the most cruel and aberrant acts in an attempt to impose—through force and terror—ideologies that most Argentines reject.

When we call for the recognition of the sacrifices made by the Armed Forces and the forces of security during the antiterrorist fight, we are calling for something that has already been conceded by the government and by most Argentines. [applause]

The government and the people, however, are not willing to allow state terrorism to be implemented again in the country. [applause]

If we do so, we would go against basic principles that made a democratic government legitimate. These principles entirely ban the use of force outside the law and the appropriate legal system. Under no circumstances do these principles allow the massacre and desecration of human beings.

The enforcement of this principle, which is shared by all members of our society, is not vindictive in nature. All we want is to set an example for future generations, showing that no sector whatsoever can break the law and that human dignity establishes very strict limitations to our actions, no matter how commendable their objectives may seem.

During the hazardous history of these past decades, there have been several attempts to obtain concessions from governments with threats or the use of force. But, I want to ask the immense majority of Argentine military members, those who really want to respect themselves, if they want to be respected by others: what type of respect can be obtained through force? Because [aplause] we know our past, because we know that in giving in, the nation has always lost.

Our society today in its desire to support justice will not be conquered by fear or hate. [applause] It will not surrender its convictions due to threats, nor will it allow itself to be pulled along by those who want to promote widespread disillusionment to disrupt public order out of resentment.

The line between those who attack public order and those who defend it must be clear. There is an essential difference between the constitutional Armed Forces and the mutineers: the former comply strictly with the law.

Just as all other sectors of society, the Armed Forces are facing economic problems which considerably concern the executive branch, but these economic problems can only be dealt with to the extent of the means available.

There can be no argument about the fact that the approach that each sector takes to submit their requests, irrespective of their reasons, must abide by the democratic rules of the game. [applause]

Attempting to justify arrogance and impositions by claiming that the demands are more than fair is as nonsensical as to expect that the government would be prepared to negotiate when faced with such an approach.

The tensions between the Armed Forces and the state branches were to be expected. The military transition is everyone's task.

The military commanders are responsible for carrying out the necessary adjustments within the Armed Forces and the political leaders are responsible for paving the way for the definitive reincorporation of the Armed Forces into society. This must be done to ensure that San Martin's spirit, which made our Army the builder of Argentine and Latin American independence, will live forever in the Armed Forces. [applause]

Perhaps this is not the right time to draw final conclusions from the events of the last decade that sowed so much sorrow and confusion among the military and civilians alike. History will classify these events and their meaning from the appropriate perspective that only time can give. Meanwhile, we must presume that justice is the same for all Argentines, whether they wear a uniform or not, whether they hold political posts or not. [applause]

This is the way it will be as long as I am performing the duties entrusted to me by this nation's people, to whom I have a commitment to strengthen internal peace.

Only total compliance with the law, mutual tolerance, and permanent respect for the ethics of politics by all citizens, without exception, will make it possible for us Argentines to say, on 10 December 1989 when we turn over the government according to the Constitution for the first time in many decades, that we have begun to open the door to the future that we want for our children, and that we have saved the nation from the chaos into which some confused and arrogant people are trying to plunge it.

In a changing world, the delay that these people may cause could jeopardize the very existence of our nation and the future, not as much ours as that of our children.

Although some progress has been made toward the military transition, there is still much to be done. In fact, the very same ideologies that in the past plunged us into the chaos of authoritarianism, the very same ideologies that are constantly talking about the chaos of democracy, the very same sectors of the society that—having been rejected by the people—are always trying to use the Armed Forces as a ticket to power, are now trying to start another adventure.

They are strong; they have access to powerful news media; they use all sorts of arguments; they do not stop at any means to attain their objectives. They say, if the best way is a fundamentalist approach, no problem. They feel that it would be a short-lived phase; the important thing is to prevent democracy from taking root.

Thus, today more than ever before, we need the extraordinary consensus that all political and social groups have displayed in difficult times in order to preserve democracy and keep it intact once the threat is over.

I call upon the opposition to oversee our performance and prevent confusion that would be capable of leading us to irrational confrontations, which have kept the country backward and sorrowful for such a long time.

I feel that it is my responsibility to respectfully call upon all political parties, including the one to which I belong, to cease confrontations because of the common need to protect freedom from the threats it is facing. I am sure that our future depends on the response to this call: freedom or slavery, development or stagnation, justice or lawlessness, international respect or isolation.

A state of permanent readiness to defend democracy—that is, to defend their own dignity—is needed from the civilian population. There will always be some who try to take advantage of the crisis, resorting to psychological tricks or open lies in an attempt to weaken and undermine the popular will. These are the people who exploit the sufferings of Argentina in their quest for power. These are the agents of uneasiness who are just as responsible as the mutineers. They want to sow discouragement to reap dispair. [applause]

When attempts are made to cast shadows upon the firmess with which the government acted on this and past occasions, not only its image is affected, but also society's credibility in the civilian institutions and democracy is impaired.

In a speech at the 1985 Armed Forces' camaraderie dinner I said: It is now necessary for us to march together, from the very heart of society, toward the definitive reconciliation of Argentines, with an edifying sense of justice based on social ethics.

In this respect, awareness and agreement must exist: In an act of severe contrition and acknowledgement of its identity, society itself is gaining experience from the past. It is beginning to decide to face the future with its eyes open, with a decisive step, with humility and with boldness.

Looking forward means answering with a noble act of ethical understanding the hope of that youth who never again want to be cannon fodder. It means preventing the alienation of our youth or leading it toward skepticism and frustration.

It means placing life and the coexistence of a reconciled people above every value. It means instilling legal and moral responsibilities in the collective memory of our society. It is the quota of repentance that is assumed by everyone, by every sector.

Well, we can start to forge ahead. No more violence. No more taking justice into one's hands outside the law. No more arrogance and lack of tolerance in today's Argentina.

We are doing nothing more than trying to consolidate the transition of a united people toward their dignity. Let God help us carry it out. [applause, chants of Alfonsin, Alfonsin]

UCD Leader Reaction

PY2112213488 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1430 GMT 21 Dec 88

[Text] Buenos Aires, 21 Dec (NA)—Alvaro Alsogaray, presidential candidate for the Centrist Alliance, today said that "the people will judge in the upcoming elections who has led the country, over the last few years, to the worse crisis in decades." He also said that the crisis "cannot be attributed to something inherited but to the mistakes made and to the lack of ability."

Alsogaray, who is the leader of the UCD [Democratic Centrist Union], labeled the speech delivered by President Raul Alfonsin to the joint session of Congress as "academic" because "he did not add anything new to what is already known about the military problem, and also because he gave the impression of underestimating Congress."

Alsogaray added: "It should be pointed out that the president talked about an idealistic democracy, an idealistic justice, and about an idealistic state of law that shows a lack of political realism."

Alsogaray said that "it is absolutely essential that from now on the Armed Forces do nothing in relation to the military problem because it is up to the government and the political sectors to solve that problem."

UCD Deputy Alberto Albamonte said that he was "disappointed" by the president's speech. He said that the call for a joint session of Congress "was hasty and did not provide the explanation that the people and the people's representatives expected."

Albamonte concluded by saying that "unfortunately no explanation was given about the agreement reached with a sector of the Armed Forces. It was a party style speech that did nothing to strengthen the people's confidence in the government."

Army Chief of Staff Replaced, Generals Retire

PY2112143388 Buenos Aires TELAM in Spanish 1342 GMT 21 Dec 88

[Text] Buenos Aires, 21 Dec (TELAM)—General Francisco Gassino will be installed as Army chief of staff during the afternoon of 26 December on the parade ground of the Patricios Infantry Regiment. General Valentin Venier will be installed as Army deputy chief of staff on the morning of 27 December during a ceremony to be held at Libertador Building. This information has been released by Army headquarters.

It was also stated that on 27 January the two commanders will meet to prepare their proposal on the new chain of command that will be submitted to the executive branch.

In addition to the joint request for retirement that has been submitted by Generals Jose Caridi, Osvaldo Abate, and Jorge Bianchi, it has been reported that Generals Felipe Dominguez and Pompilio Ferrucci, current commanders of III and V Corps, respectively, have also submitted their request for retirement. Their decision to retire stems from the fact that General Gassino is their junior.

It is not yet known what attitude will be adopted by General Juan Ramon Mabragana, who was to have been installed on 22 December as deputy chief of the Joint Staff.

Regarding General Raul Mattiuzzi, who also has more time in service than Gassino, he has not requested retirement because it has been said he plans to retire on 31 December. General Juan Torres has already been named as Mattiuzzi's successor.

PJ Council Wants Defense Council Meeting

PY2212020388 Buenos Aires TELAM in Spanish 1830 GMT 21 Dec 88

[Text] Buenos Aires, 21 Dec (TELAM)—The Justicialist National Council and the Justicialist Party [PJ] Deputies and Senators this afternoon asked that a meeting of the National Defense Council be called to draft the Armed Forces organizational laws for Congress to approve.

This request is included in a statement read this afternoon at the Annex Building of Congress during a press conference granted by the Buenos Aires governor and PJ president, Antonio Cafiero; the president of the PJ Deputies bloc, Jose Manzano; and the vice presidential candidate, Eduardo Duhalde.

The PJ leaders claim that the primary responsibility for the episodes within the Army rest with the government, because the president of the Republic, in his role as commander in chief of the Armed Forces, must fully assume the responsibilities stemming from his functions. The text of the document was read by Cafiero.

Air Force Tests Surface-to-Surface Rocket

PY2212022488 Madrid EFE in Spanish 0021 GMT 22 Dec 88

[Text] Buenos Aires, 21 Dec 88 (EFE)—Military sources reported here today that the Argentine Air Force (FAA) successfully tested a surface-to-surface rocket with a range of 100 km and a potential destructive capacity of 30,000 square meters.

The rocket was launched from El Chamical Air Force Base, in La Rioja, 1,200 km northwest of Buenos Aires. The test was watched by Air Force Commander Brigadier General Ernesto Crespo.

The rocket—which does not have a name yet—is 7 meters long, carries a payload of half a ton, and flies at an altitude of 40 km before descending.

The payload on this occasion was replaced by a bundle of smokebombs that exploded on impact in a desert zone between La Rioja and Cordoba Provinces.

The trajectory of the rocket was closely followed by El Chamical radars. Brigadier Crespo congratulated those present at the site of the test when the rocket had a lift off without problems.

The test was considered "essential" for the development of the Argentine missile industry, including the "Condor II," which the Air Force has been researching and developing with Egypt since 1984.

*** Communist Leader Examines IU Alliance**
33480047d Buenos Aires QUE PASA in Spanish
3 Nov 88 pp 6-7

[Interview with Patricio Echegaray, assistant secretary of the Communist Party (PC); date and place not given; first paragraph is introduction]

[Text] The assistant secretary of the Communist Party and first candidate for national deputy on behalf of FRAL [Broad Liberation Front] in the Federal Capital assesses what United Left (IU) has achieved, defines the importance of the alliance's open elections and calls for efforts to assure the triumph of the front's candidates.

[QUE PASA] Patricio, what is the significance of the establishment of United Left?

[Echegaray] First of all, the new developments in Argentine politics are coming from the left. IU has emerged in response to a deepening crisis and when it was clear that there was no alternative within the frameworks that the parties of the system have to offer. The government and the optimists [posibilistas] tried to portray the left as ignorant and incompetent. But 5 years after the return of bourgeois democracy they are demonstrably the ones who cannot resolve people's problems, though they can ensure superprofits for the monopolies. The country needs real change; grassroots struggles are mounting in the face of worsening living conditions, but the discontent needed to be represented and channeled politically through a force with real weight. We can begin to visualize this today. We can do more than choose the lesser evil; we can vote for IU, which has emerged to confront the greed of the IMF, to consistently defend democracy against shrinkage and mounting restrictions, to respond with concrete proposals to the needs of the moment and to contribute with firmer steps to the development of prospects for liberating transformations after the elections.

[QUE PASA] What has been achieved with the electoral proposal that we put forth in February?

[Echegaray] I think that United Left is a great achievement for an electoral tactic that is consistent with our policy of a front and accomplishes much of what we set out to do, in other words, to join together organizational forces and social battlers, based on a new and creative interpretation of what the left is today in Argentina, which was later reiterated on different occasions, especially with FRAL's letter to the MAS [Social Affirmation Movement] congress. It was unquestionably this proposal, and none other, that occupied center stage in the left's debate over these past months. It is part of a front-based approach that was established at our 16th Congress and that at the time had to do with the construction of the FP [People's Front] and the effort to keep it going beyond the elections. This objective was not achieved, but not because we did not want to with the emergence of FRAL in 1987, which was an attempt to express in a broader vision the need to bring together forces, currents and personalities above and beyond the space that they happened to occupy in society and with a front policy that we are also spurring in social spheres to unite those who are struggling, particularly the antibureaucratic and combative elements of the labor movement, those who are opposing the economic plan and the policy of the Social Pact or in the university from the Pampillon. Now then, thanks to the novelty of the proposal, FRAL was firmly in the vanguard of the just idea of leftist unity, which part of society understood particularly in electoral terms. If some are not part of it today, it is not because we have excluded them. We have acted broad-mindedly and with great respect for the circumstances of other sectors and personalities. Some had the necessary resolve, and others did not, because of political differences or because they still have doubts, but we are proud of what we have achieved and we believe that when it gets under way, it will be able to attract more support. What has been put to the test is the real maturity and limitations of the left, but we have left well enough alone. The very name of IU represents what we intended and is a blow to the enemy, one of whose main lines of attack to discredit us in society's eyes is the dispersion of the left. They are not going to sit still and will persist with their maneuvers to wear us down, and one of them is to try and set up a sort of "Center-Left" based on the PSP-PSD [Popular Socialist Party-Social Democratic Party] (a source of ambassadors for the dictatorship) and to lure Molinas or others who are not involved in a proposal for real change. For our part, we will keep on calling for the incorporation of the Intransigents who cannot reconcile themselves to tagging along with the top echelon of the Justicialist Party, of the Radicals who are not lowering their banners, of the Christian Democrats with ideals of liberation, and of many others to whom the doors of IU and the ranks of the front are open.

[QUE PASA] How is the relationship between unity and debate expressed in United Left?

[Echegaray] I think that this is a prominent element of the electoral accord, lending it greater transparency and credibility. We state clearly what unites us and we embody it in a common program, and we say what differentiates us and we debate it in a sincere and reasoned manner before the eyes of the people. Now that we have found ways of resolving this, the enemy wants to discredit us, when they always used to attack us for being authoritarian and antidemocratic. It hurts them that we will be able in a participatory manner to elect those who will represent IU. They will be the best ones because they are not committed to the system or to the policies of hunger and surrender or to concessions to those who violate human rights. We contend, however, that the front's representatives are even better because they represent a clearer agenda for uniting the people in the FLNS [National and Social Liberation Front] in a way that does not isolate the working class but that enables it to direct the revolutionary process; because it offers a

patriotic, democratic, people's and anti-imperialist left that builds bridges to the combative and revolutionary sectors that are proud of their Peronist identity in the sense of national liberation; that does not aim to be a dissident minority in Parliament but that seeks this forum to make heard the voice of those who have no voice, to further the development of the struggles, the creation of people's government in its many forms. Our lists are not exhausted with some isolated personality; they contain a series of fighters united around a clear-cut agenda for uniting the left on the road to a government alternative.

[QUE PASA] How important is the outcome of these open elections?

[Echegaray] We think that this approach is a political breakthrough, and this can be perceived in the revival of left-wing activism. This task cannot be accomplished by an accord among top echelons or with speeches by leaders. The decision is up to the activists at large, their fervor, their passion, their efforts and their sacrifices, the consistent activity of communists and front members. It is nothing more. It is a development of great political substance that will put to the test our capacity to link up politically with the social battlers and it challenges us to push the construction of the front to a higher level. We are not indifferent about the outcome, and this is not due to competitiveness. If our politics makes headway in becoming predominant in IU, better conditions will be created for the left to put together a political bloc that can not only run in elections but also cope with the worsening of the crisis after 1989 and channel the grassroots struggle in a revolutionary direction. Therefore, this is the great central task from now until 18 December, and it is deeply rooted in the struggles and in service to them. This is a great opportunity for the real growth of the 16th Congress Party, for greater support for FRAL and for the politics of the liberation front. We leadership cadres must be able to create every condition so that our activists can realize their full potential because they can tip the balance in our favor. If we can, we must do it. So then, in spite of everything let's get to work.

* CLARIN Endorses Church's Social Views

33480047c Buenos Aires CLARIN in Spanish
4 Nov 88 p 18

[Editorial: "Church, Government, Society"]

[Text] In its recent analysis of national realities the episcopate stressed something that seems obvious to us: social solidarity is rending in Argentina. There are several reasons. Some have been with us for a long time. Others have to do with recent tragedies. Some are in keeping with current developments. Drawing a line as to positions in this regard could be useful for history. For the purposes of everyday life, the most important thing is to become aware of the situation as a means of rectifying it. To this end, the necessary condition is to understand what is happening, to accept it and to address it. But this is not enough. It is also unavoidably necessary for Argentine society to begin moving towards a better future. What this means is attaching priority to the values of work, admitting the need for economic growth as the basis for distribution, accepting capital and technology for investment from inside and outside the country, and replacing small-time politics with big-time Politics, which is written with a capital P all over the world.

The church feels that the ultimate cause of Argentina's ills is a drift away from God. To the immense flock of Catholics who live in our country these are inspirational words. To those whose values are closer to secularism, the issue can be thought of in terms of an abandonment of morals. The crisis pushes in this direction in many cases. The lack of money causes families to break up. Many children are growing up abandoned. Girls are exposed to undue temptations. Young people are seduced by violence. They all observe the difficulty of getting ahead just by working hard, while the culture of speculation flourishes.

The roots of all this do not lie in just the past 5 years. In most cases they go back much farther. It is true, however, that problems have worsened, just when the citizenry had well-founded hopes that the return to democracy would, in contrast, enable them to be gradually overcome.

The virtue of democracy is that the people take their destiny into their own hands. Government leaders act in accordance with current needs and their view of their community's future. Some needs can be postponed by thinking about the fulfillment of one's children, about future generations. We can grit our teeth and withstand adversity when we are certain that an all-out struggle is being fought to improve society. But if we drop our arms, if a sort of fatalism paralyzes our leaders, and if they fail to realize what must be done for lack of wisdom, sound advice or inspiration, then the restored democracy that we must all defend suffers.

The church document is important because it brings this point into focus. The underlying debate, growth or no growth, belongs not just to the present day. It is a long-standing debate that has taken on different forms as the decades have past and that has found exponents in every age. It is unthinkable that democracy could be damaged by it. Quite to the contrary, democracy allows all ideas to be expressed and the underlying problems of our society and our destiny to be debated.

In practice, however, speculation, the struggle for positions of power, violence, etc. are virtually the sole issues of the day here. The oxygen of new ideas about our condition is not circulating in our society, and the ideas borrowed from other latitudes and other social forms are not enough to replace them. Economic paralysis begets

social unrest and narrows the horizon of ideas. We need liberating acts, and such liberating acts come in the realm of investment, industry and hard work.

This analysis is based on the bishops' view that our society's ills are due to the replacement of God by idols. Even from a secular viewpoint, however, growth, development is the necessary way to emerge from a stagnant society. Perhaps for this reason people of all latitudes have expressed their admiration for these words of the pope, "development is the other name of peace."

*** Petroplan Beset by Obstacles, Delays**

33480047b Buenos Aires LA PRENSA in Spanish 1 Nov 88 p 8

[Commentary by Lindor C. Camino: "What's Holding Up the Petroplan?"]

[Text] We have been waiting almost since July to see the regulations of the Petroplan, to see the first round of bids get under way and, by the way, also to see the last round of bids under the Houston plan, as had been announced. What is holding the two up? This is the question that must be asked. Some events suggest that there are political and union difficulties, which are perhaps the same thing, while others are just delays in a far from prompt administration because of a party that has traditionally been slow in making decisions, except when it revoked the 1963 oil contracts like a thunderbolt, which was precisely the decision that it should have thought over the most. The delay this time, however, smacks of opposing opinions in government quarters themselves, and some also attribute such disagreements to the actions of the oil unions, which in the name of sheer corporativism are opposed to moving ahead with the two plans. If this is the case, it would mean that they feel that they own the state-run enterprise and, why not, the nation's petroleum reserves. That would not be surprising, because like it or not, 45 years ago the country entered a corporativism that went nowhere, and its creator stopped it because the Second World War did not go his way. It is obvious time and again that every idea that the minister of public works and services puts forth and tries to implement, among them the Petroplan, turns into a Pyrrhic victory for him, as he undergoes the sort of wear and tear that the king of Epirus did when, still victorious, he confronted the Romans. Such wear and tear could have him out of his post before the end of the presidential term. If this were to happen, it would be deplorable, because among the administration's current cast he is the one who is trying the hardest to put sensible ideas into practice. It is a fact that the resistance is to be found within the family, and the minister and many others know it. Therefore, in a previous column I mentioned that the proper thing to do would be to hold a referendum as to whether Argentines want to have state-run enterprises in activities that private companies can conduct. In my modest opinion, this would put an end to many of these domestic arguments and these polemics by labor leaders who think that they own these enterprises, and it would be more useful to the country than a call for a constitutional convention to change our wise law of the land, which needs only to be respected, not declaimed. If the referendum showed that a majority of us Argentines want to have state-run enterprises, as was the case more than 50 years ago, then we should get to work without further ado to improve the ones we have, which I think would be hard to do. If the outcome were the opposite, however, we ought to privatize these enterprises as quickly as possible and not be too indulgent with those who oppose this, as is happening now. I think that even the fanatic but honest partisans of statism would understand that such a decision ought to be respected if the people, who at one time supported statism, have now changed their way of thinking because they are convinced that statism is the cause of our problems. Until there is a clear-cut pronouncement on this, we can only acknowledge that we do not know how the majority feels, and from this stem all of the acts of corporativism that we often see. They are, of course, prompted by the delicate economic situation that besets the country, but one of their causes is precisely the enterprises that in their day were set up with the support of an indisputable majority that it is more than doubtful subsists today. In one way or another we must find out whether this is the case or whether we must change the existing structure, but we must all find this out and have the opportunity to clearly express our opinions.

As for the Petroplan, and to confirm what I have just said about interference within the household, in the case of YPF [Government Oil Deposits] the episodes of the Casa Central, La Plata, Vespucio and Comodoro Rivadavia are compounded by others that are not as well known but are thereby no less convincing. They show the internal resistance that the various YPF echelons are offering to the Petroplan, which seeks to transfer some marginal deposits, of which there are many, to private activity. Mysteriously or perhaps "magically," some of them have been boosting their output over the past 6 or 7 months, in other words, ever since study began on the plan in question. One example is the increases (expressed in cubic meters a day) posted from December 1987 to June 1988 by the following groups of small deposits:

- Puesto Guardian, Dos Puntitas, El Vinalar from 372 to 379.7;
- Cachueta, La Pilona, intermediate structure from 33.1 to 35.9;
- Atamisqui, El Quemado from 91 to 104.2;
- Cerro Tortuga, Las Flores from 146.7 to 213.7;
- El Guadal from 215.1 to 244.7;
- El Indio, La Terraza, C. Buen Tiempo from 38 to 40.7.

These daily outputs had not been obtained for some time, and the unusual improvement just now is noteworthy. If there really has been such an improvement, it fully justifies the criticism of the state-run enterprise that it abandons deposits that it thinks are depleted and of which there are many (200 to 250), and their inclusion in

the Petroplan fits in perfectly with the minister's and the energy secretary's idea to reactivate marginal deposits and nearby areas. If, however, the improvement is pro forma and designed to boost the bids, it would be dishonest and very reprehensible, calling to mind what happened in 1979/80 with deposits up for bid that showed markedly boosted outputs and even more markedly declining future production curves. These cases later caused problems that did not create a good impression because they hurt both sides and serve to heighten the lack of confidence about oil operations. It remains to be seen what factors caused the increase in output that we are commenting on, but nothing takes away from how eye-catching these increases are just now.

Moreover, according to an unconfirmed report, during the recent union conflict with SUPE [United Trade Union of State Petroleum Workers] there was a discussion, aside from union demands, of returning to the YPF some areas in the Houston plan on which direct offers have been made (second phase of 1443/85), and the YPF management agreed to the request. It is surprising to think that this happened, but if we recall the aforementioned episodes, it cannot be ruled out completely either. If it did happen, we would have to believe that the corporativist tendency is no longer a tendency but a reality, because management almost shares it. A referendum, therefore, is imperative to ascertain what the public thinks about the state-run enterprises, about which it complains so often and so openly. It could be argued that next year's elections will tell us what the public thinks, but this is not true because other factors that overshadow this question are involved in them. There is also no doubt that even if the referendum went against the state-run enterprises, it would snatch more than one sympathizer away from certain political parties, and no one would run that risk. Meanwhile, man-in-the-street polls indicate that many citizens do not support statism. If such polls had been taken 40 or 50 years ago, their findings would have been quite different, because in those days the average Argentine was in favor of such enterprises. Poor service from them has contributed to disillusionment and change, and not all of the woes are well known to the public. The poultry business, the warehouse business, the poor telephone and train service, etc prompt the citizenry to reflect on whether or not such poor service ought to be maintained, but few people, if any, are familiar, in contrast, with what is going on in the oil business, with irrational exploitation, gas venting, etc. If these facts were made clear to the public, as the problems besetting telephones, railways, steel, etc are, perhaps they would have a clearer idea of whether or not government monopolies ought to be maintained, [as published] of areas of exploration owing to the lack of inspection, irrational exploitation, gas venting...etc., and owing to the power of government trade unions run by politicized leaders who could well lead us towards undemocratic regimes. The more state-run enterprises a country has, no matter what the country, the closer it is to sovietization. To avoid the latter, more than once a country "jumps into the fire" and replaces it with another dictatorial regime, generally a military one.

* Machinea: 1988 Inflation To Reach 382 Percent

33480047a Buenos Aires LA PRENSA in Spanish
24 Nov 88 sec 2 p 7

[Text] The administration is prepared to introduce a bill creating a 4-billion austral bond issue to address the budget difficulties of the provinces.

"We are prepared to go as far as issuing a bond that does not jeopardize either the monetary or fiscal policy of the central government," said the president of the Central Bank, Jose Luis Machinea.

The official described as a "political invention" the request by Peronist provincial governments for more funds.

He predicted inflation of under 6 percent for November and December and emphasized that the various exchange rates "have in recent months reached their highest levels in the past few years; therefore no one can talk of there being a regression."

Moreover, Machinea contended that "the statements by Peronist presidential candidate Carlos Menem "are causing uncertainty about the progress of the 'Spring plan,'" especially when he makes announcements about a major wage hike.

He said that such announcements herald a deficit of 20 percent of output, which "creates problems in managing fiscal policy these days."

384 Percent Inflation

The head of the Central Bank also admitted that the updated inflation forecast for this year is 384 percent (instead of 284 percent); he clarified, however, that the total balance of rediscounts dropped to 1.5 billion australes instead of the projected 6.5 billion.

He also asserted that there would not be "additional money for the state-run enterprises" either.

"If bigger than expected deficits are posted by the state-run enterprises, credit will obviously be reduced to the private sector because the larger deficit will be financed with required funds from the financial system," he added.

Machinea announced that he would travel next weekend to the United States to try and close an accord with the International Monetary Fund. He admitted, though, that "it is not going to be easy, because the Fund is not sold on the fiscal situation in the second half of next year."

He indicated, nevertheless, that "the way that we are handling public accounts will also enable us to lower inflation in the months to come."

Gap of Less Than 25 Percent

He also asserted that the economic authorities are determined "to sell off a ton of dollars to prevent the gap between the commercial and financial exchange rates from widening to more than 25 percent," and he said, in this regard, that "the reserves of the Central Bank grew quite a bit."

He explained that the pressure on the exchange market would depend on the surveys in mid-March and he emphasized that he anticipates that "the expectations that Menem will win will be lower than they are at present."

Machinea let it be known that the Central Bank is looking into the possibility of "emphasizing the creation of a dollar-futures market," with which the "administration will be fulfilling its promise to the Argentine Industrial Union to set a compensatory adjustment for the industrial-export exchange rate."

Peronist Objection

The president of the Movement of Justicialist Businessmen, Arnaldo Etchart, has criticized the head of the Central Bank, Jose Luis Machinea, for his statements blaming Carlos Menem for the lack of confidence among foreign-exchange traders.

Etchart contended that the economic team itself is solely to blame for the fact that no one invests in this country, that those who work are punished and that those who speculate are rewarded.

In his opinion, there is a lack of confidence among traders and businessmen because the Spring plan is inconsistent, is causing a recession and is generating tensions that are doubtless going to explode over the coming months.

He felt that there is pressure on the dollar because $1.5 billion in fair-weather capital entered and, in light of the plan's inconsistency, investors began sending overseas the extraordinary speculative income that Minister Sourrouille offered them.

In Etchart's view, "this orgy of speculation has cost the country, so far into the Spring plan, some $600 million in financial earnings, which are paid for by the workers, merchants, industrialists and agricultural producers."

He stated, moreover, that Machinea realizes that the plan has begun to take on water and, therefore, he is trying to shift responsibility for its failure to those who in fact opposed it from the beginning.

Bolivia

Paz, Foreign Minister on Antidrug Conference

PY2112212188 La Paz La Red Panamericana in Spanish 1130 GMT 21 Dec 88

[Excerpt] President Victor Paz Estenssoro has said that a multinational agreement is required if an effective struggle against drug trafficking is to be maintained.

The Bolivian chief executive sent this message to the closing session of the plenipotentiary representatives conference [on drugs in Vienna]. A new accord, seeking coordinated actions by the nations to eradicate this scourge, was discussed during the conference.

The message sent by President Victor Paz Estenssoro states the following:

At the closing of the UN conference, during which a new accord will be outlined at a political and diplomatic level involving the plenipotentiary representatives of the member countries, the Bolivian Democratic Government once again expresses the imperative need to reach a multinational agreement that would be reflected by laws to provide the international community with an effective tool in the struggle against the organized crime of drug trafficking.

This will involve the implementation of an effective and firm strategy by all nations, seeking to rout this perverse activity.

The message of President Victor Paz Estenssoro was read at the closing session by Bolivian Ambassador to the Vatican Huascar Cajias, who acted as the top legal adviser of the Bolivian delegation.

While signing the new accord against illegal narcotics and controlled substances trafficking activities, Bolivia introduced a clause, reaffirming and safeguarding the traditional uses of coca.

The clause concerns Article 3, paragraph 2 of the accord, which establishes legal concepts. These concepts are not in agreement with the law of special regulations for coca and controlled substances currently effective in Bolivia.

The clause introduced by Bolivia states the following: Concerning Article 3, paragraph 2, of the new accord, the Republic of Bolivia places on record its specific clause and states that the provision established in Article 3, paragraph 2, could be interpreted as a way to classify the crime of using, consuming, possessing, purchasing, and cultivating coca leaves for personal consumption. This is not applicable to Bolivia.

The clause states that, for Bolivia, such an interpretation of this provision is contrary to the principles of the Bolivian Constitution and to the basic concepts of Bolivian laws, which permit the culture, legitimate use, values and characteristics of the ethnic groups that make up the Bolivian people.

The clause also states that the Bolivian law admits the ancestral nature of the legal use of coca leaves. A vast sector of the Bolivian people has been using coca leaves for centuries. Thus by raising this clause, the Republic of Bolivia considers that coca leaves, by themselves, are not a narcotic or a controlled substance and that their use and consumption does not cause any psychological or physical disturbances greater than those caused by the consumption of other plants or products that are freely used worldwide.

Foreign Minister Guillermo Bedregal, the president of the Vienna Conference on Drugs, has said that the new accord is a show of the decency of humanity and its will to fight crime.

We have confronted the growth of crime and we have overcome the old and obsolete means to fight it, Bedregal said.

The foreign minister added that the accord will grant nations new tools, a new overall strategy, and will confront the problem on a basis of shared responsibility.

We cannot say the document is perfect, not even the Holy Bible is perfect, but we can stress that we have greatly improved on former accords, Bedregal added. [passage omitted]

Ministry Releases Coca Production Survey

PY2112232688 Madrid EFE in Spanish 0413 GMT 21 Dec 88

[Text] La Paz, 20 Dec (EFE)—According to a survey of the Bolivian Ministry of Agriculture, Campesino Affairs, and Livestock Affairs published today, the production of coca leaves in Bolivia has increased 1,593 percent since 1970.

The report explains that in 1970 there were only 4,450 hectares of coca crops in the semitropical regions of Yungas and Chapare in the districts of La Paz and Cochabamba, respectively.

It adds that these areas produced 8,400 metric tons of coca every year, an amount which by 1975 had increased to 26,000 tons from 11,200 hectares of crops.

The document also quotes production levels in 1980 when 70,900 hectares of coca crops produced 132,000 metric tons annually.

This means that the yield since 1970 has increased by 1,571 percent, the report states.

Since then it is believed that there has been a further increase in coca crops, although the document does not specify the amount.

The report terms the expansion of coca crops as an "explosive growth," and it is attributed to three main causes: the existence of a sure foreign market, the high prices paid by drug producers, and the high profit levels for the farmers who grow the coca leaves.

Following the promulgation in July 1988 of the law on coca leaves and dangerous drugs, the Bolivian Government has voiced its desire to eradicate 30,000 hectares of coca crops by 1993.

Police Report on Antinarcotics Operations

PY2212005788 La Paz PRESENCIA in Spanish 19 Dec 88 p 1

[Text] The Interior Ministry has reported that the Special Antinarcotics Forces have destroyed 37 cocaine factories and 99 maceration pits between 9 and 15 December.

The weekly report released by Brigadier General Humberto Palacios Medina, retired Special Forces commander, says that 54 kg of drugs were seized and 7 kg were burned.

The Special Forces also arrested 22 people, and 3 of them were put under the jurisdiction of the attorney general.

The report also indicates that the Special Forces destroyed or burned 394 lb of coca, 5 liters of acetone, 200 liters of kerosene, 100 lb of macerated coca, 60 liters of sulphuric acid, 16,956 lb of lime, 1,000 liters of kerosene, 112 kg of sodium carbonate, 2,900 liters of diesel oil, 80 liters of rich water, and 1,900 liters of gasoline.

Brazil

Government To Avoid Computer Dispute With U.S.

PY2212005188 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Dec 88 p 36

[Excerpts] Brasilia—By a single vote, the Unitron Company yesterday had its request to market its 1024 microcomputer vetoed at the meeting of the National Council for Information and Automation (CONIN). After more than 2 hours of discussion, the request was denied by a vote of 8 to 7. [passage omitted]

In a short interview, Science and Technology Minister Ralph Biasi said that the members of CONIN, except for those of the private sector, voted in accordance with the desire of the Special Secretariat for Information Science (SEI), which opposed the project. Itamaraty recently warned about the danger of approving the Unitron 1024

microcomputer, and argued that doing so would probably reopen the dispute with the United States over the computer issue, because the national company is accused of piracy by the Apple company of the United States. [passage omitted]

*** Sarney Plans Rapprochement With Left Wing**
33420012a Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Nov 88 p 4

[Article by Luciano Ornelas: "Sarney Wants To Govern With The PT"]

[Text] Two days after the great defeat he suffered at the polls almost everywhere in the country, President Jose Sarney began to nurture the hope that he is in fact gaining an ally in his battle against inflation and the violent wave of strikes. That ally would be the Workers' Party (PT). With the fright caused by the results on 15 November now in the past, Sarney is finally promising to begin to govern energetically, and his principal decisions will involve an urgent cabinet reorganization, some type of understanding with the leftist parties, and a virtual break with the Brazilian Democratic Movement Party (PMDB), including its governors.

As the results of the election were brought to the Planalto Palace day before yesterday and yesterday by General Ivan de Souza Mendes, Sarney began to reorganize his strategy for the end of his term. In the middle of last evening, with the outlines of the new political plan for the country defined, he expostulated: "Now I am free to act."

The atmosphere of tension which prevailed at the Planalto Palace on the morning of the 16th had already relaxed somewhat by yesterday, according to one of the president's close advisers. He read yesterday's editorial in O ESTADO ("The Vote in the PT") and became persuaded that moderation should govern from now on. This would involve, first, showing the left its responsibility in the process, and then seeking agreements which will lead to a shift away from the center.

Sarney began actual talks with the left wing yesterday. He spoke on the telephone with Brazilian Communist Party (CPB) Deputy Roberto Freire of Pernambuco. His advisers have already scheduled a meeting with Neiva Moreira, one of the drafters of the program of Leonel Brizola's PDT, for next week. Moreira, who is also from Maranhao, is an old friend of Sarney's.

Immediately afterward, he proceeded to talk with more moderate representatives of the PT, such as political scientist Francisco Weffort and Deputy Plinio de Arruda Sampaio. As a result of these meetings, the president hopes that the PT can pacify the Central Workers' Union (CUT) and slow the wave of strikes. A telephone call from the national president of the PT, Deputy Luiz Inacio Lula da Silva, to Minister of Mines and Energy Aureliano Chaves, proposing talks concerning the strikes, left Sarney with greater confidence in the new style of government he proposes to implement from now on.

It is the intention of the president to make use of the political strength the PT acquired throughout the country in the election on the 15th in order to put together agreements leading to a more concrete social pact. If the PT and the other parties of the Left refuse to participate in negotiations with the federal government, the solution, according to the president, will be harsher measures. This would mean the dismissal of the strikers, beginning with the metallurgical workers in Volta Redonda and the oil workers. But first, Sarney wants to tip the scales "toward tolerance," as he said yesterday, before the leftists tip it in the other direction, toward stubborn resistance.

The president explains his confidence in a broader pact as follows. The PT has just broadened the space it occupies on the Brazilian political scene, and it is ceasing to be the "slingshot" and is becoming the "windowpane." Then, according to Sarney's analysis, the party will move toward a more moderate line. He therefore preferred to talk first with Weffort and Arruda Sampaio, before making contact with Luiza Erundina or Luiz Inacio Lula da Silva.

What is happening with the Workers' Party in Brazil is exactly the process which occurred with the French Socialist Party, the president believes. The French left wing spent 25 years in the opposition, sniping, before winning government power with Francois Mitterrand and his proposals oriented toward statism. And, one of the president's advisers added, the more radical proposals of the French leftists came up against the economic reality in that country, and the Socialist Party had to return to a centrist program, promoting transfers to the private sector and strengthening free enterprise.

"The socialists have turned again toward liberalism," Sarney says to bolster the thesis to the effect that the PT has the capacity for administration, provided it moderates its tone. If this happens, Sarney says that the Workers' Party "will embark upon the path of democracy" and will not cause any trauma for the nation in the 1989 presidential elections. Only the "risk of slippage," of radicalization, must be avoided. "The pact must function," the president insisted to his advisers yesterday. On hearing of the telephone call from Lula to the minister of mines and energy, he appeared relieved.

Shortly before he left the Planalto Palace at 1800 hours yesterday, Sarney had a sense that he could move more rapidly toward agreement. In fact Minister Aureliano Chaves had reported receiving two other important telephone calls, apart from that from Lula. The first was from Jair Meneguelli, president of the CUT, and the other was from Joaquim dos Santos Andrade (Joaquinzao), of the Central Confederation of Workers

(CGT). The two trade-union leaders were seeking negotiations in order to end the strikes. At Sarney's request, Aureliano responded that the government was willing to negotiate, but would not go beyond the point defined in the pact—a 26.5 percent increase. The government argues that this level was established by the Higher Labor Court, and the executive branch cannot agree to increases greater than those for which the law provides. In any case, Aureliano is to have meetings with Lula, Meneguelli, and Joaquinzao soon in order to attempt to end the strikes.

Sarney knows about the commitments which link the PT with the union organizations, and which may make the talks difficult, but even so he has given no indication of discouragement. Without modesty, the president says that he has been conducting the Brazilian political process with tolerance and moderation, what he calls the "pedagogy of democracy," and he believes that the PT should do the same in connection with the trade-union organizations. He left the Planalto Palace convinced that the telephone calls received by Aureliano constitute a great beginning.

Limit of Tolerance

While seeking to move closer to the leftist parties, Sarney knows that he must reorganize his cabinet. The first change will probably affect Minister of Administration Aluizio Alves. The president's advisers believe that in 4 years, Aluizio Alves has only succeeded in causing confusion. The Planalto Palace does not know the salary of the president of Petrobras, nor that of the janitors or the engineers; thus limited, the government is unable to establish parameters for the other government enterprises and other ministries.

Ronaldo Costa Couto is likely to be assigned to the Ministry of Labor because of his activities during the development of the social pact. But Sarney has not named any names for the reorganization of his cabinet. The president admits that his ministers were partially responsible for the defeat at the polls, particularly because of the public quarrels between ministers. He asserts that in this connection, he has reached the limit of his tolerance, and this is the reason for his decision to reorganize the cabinet. Only two individuals will be unaffected by these changes—Minister of Finance Mailson da Nobrega and Minister of Planning Joao Batista de Abreu.

Moving Away From the PMDB

The results of the election on the 15th left President Jose Sarney with a "sensation of liberation from the PMDB," his advisers at the Planalto Palace said. He has no further need of that party now, since it has lost strength throughout the country. And then, he does not need the governors any more either in order to secure the pact. In the president's view, it was they who were mainly responsible for the lack of effective support for the pact from society. Sarney feels that he has been freed, for example, from Governors Orestes Quercia of Sao Paulo and Newton Cardoso of Minas Gerais, who made their commitment to the pact conditional upon the postponement of the debts of the states they administer.

Without the bonds which tied him to the PMDB, the governors and some of the old agreements made by the Democratic Alliance, Sarney promises to abandon the timidity which has characterized his government since his early assumption of office caused by the illness of Tancredo Neves.

Not even the apparent defeat of his candidate in Maranhao—Jackson Lago, of the PDT, has been beating out Carlos Guterres of the PMDB by a margin of 4 percent—weakens his conviction that it is necessary to reorganize the country politically on the basis of the national triumph of the PT. On the contrary, Sarney believes that it has thus become more willing to "reestablish and recompose the centrist forces."

The president's advisers use the phrase "far from depressed" to describe the his attitude 2 days after the defeat at the polls. To this they add that "An atmosphere of relaxation has developed."

President Jose Sarney is promising once again to begin to govern. He turns to history to show that there can be hope for a pact with the PT. Prior to 1964, he served as a deputy along with Plinio de Arruda Sampaio, who is one of the leaders of the PT today. In that era, the two of them were active in the National Parliamentary Front, Sarney on behalf of the National Democratic Union (UDN), and Plinio on behalf of the Christian Democratic Party (PDC).

It is there, in a tenuous and distant relationship, that Sarney hopes to find an open door.

*** Brizola on Presidential Candidacy, Elections**
33420012b Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Nov 88 p 4

[Text] Rio de Janeiro—Leonel Brizola, the former governor, has for the first time formally announced his candidacy for the presidency of the Republic. In assessing the victories won by the PDT [Democratic Workers Party] and the Workers' Party (PT), he said that he is "preparing to be a candidate, for the possibility of governing the country." He seemed embarrassed when asked about the possibility that he will have to oppose Lula in the second round of the presidential elections next year. "This is an exercise in futurology," he said, changing the subject.

Without reference to Lula, the former governor said that the candidate who offers the country the most concrete proposals will prevail. "It is such proposals, actions which do not represent any adventures, which will interest the people," he argued. In Brizola's view, "it is not

simply a matter of presenting oneself as a leftist, or claiming to be a socialist, which will win a candidate the voters' support." In his opinion, the PDT is the party which "represents continuity in the social struggles of the Brazilian people."

Brizola did not choose to speculate about whether he or Lula would be farther to the Left or toward the Center in the presidential campaign. "This is not important. This simplistic view will not prevail," he said. Even so, he did say that his party will not avoid alliances. "It is of interest to us to bring together the largest possible number of conscientious individuals in this country, wherever they may be found, provided that they are determined to redirect things in Brazil," he asserted. As an example of the strategy he plans to follow, he recalled that "The republicans only succeeded in consolidating the republic when they engaged in the most diverse alliances."

Good Relations

As Leonel Brizola sees it, the municipal elections revealed the expansion of the PDT and the PT, but it was his party "which grew the most," even in Rio Grande do Sul, although the PT won in the capital. "But in Rio Grande, we have more uniform growth," he assured his interlocutors.

The leader of the PDT foresees excellent relations with the PT in the future, even including an alliance during the presidential campaign, mainly with a view to the second round. "If, for example, it were to come down to Brizola and Janio Quadros, we will have confidence in the militants in the PT, and the contrary would also occur, with the PDT supporting Lula," he said.

According to Brizola, the country is now more pluralistic and democratic because of the new positions won by the PDT and the PT. Concerning the prefects elected by the PT, Brizola said that he wishes them "the best possible success," since now the party "is called upon to prove itself." He also predicted that "the parties will join together in the near future, in the campaign." But he voiced one reservation. "Now each of us is submitting to an examination to prove capacity to serve the people well."

In a somewhat ironic tone, Brizola said that he cannot imagine the candidacy of Janio Quadros. "Without disrespect, this could only be regarded as a perversity on the part of the Brazilian oligarchies," he added. In connection with the municipal elections, he regards the triumph of the PDT in Rio de Janeiro, Curitiba, Natal, Fortaleza, and Sao Luis as a certainty.

In terms of novelties, he announced that his presidential election campaign will be supported in three more capitals—"in Florianopolis, with Esperidiao Amin; in Joao Pessoa, with Wilson Braga; and in Aracaju, with Wellington Paixao." The PDT leader went on to insist that his party and the PT will remain united in the election of the successor to President Sarney.

Chile

Group Claims Responsibility for Helicopter Crash

PY2112212788 Madrid EFE in Spanish 1553 GMT 21 Dec 88

[Excerpt] Santiago, 21 Dec (EFE)—A terrorist group that split from the Manuel Rodriguez Patriotic Front (FPMR) has claimed responsibility for the downing of the military helicopter in which three high-ranking military officers died on 18 December.

Mariela Vargas, spokesman for the so-called autonomous FPMR, has said that the "Raul Pellegrini" commando group downed the helicopter "during a clash" near El Fraile Hill, 25 km from Coihaique, a city 1,950 km south of Santiago. [passage omitted]

Radio Cooperativa Attacked With Toxic Gas

PY2112210888 Madrid EFE in Spanish 1708 GMT 21 Dec 88

[Text] Santiago, 21 Dec (EFE)—Last night several people threw a device that released toxic gas into the building of Radio Cooperativa, an opposition station, as it was about to start its newscast at 0000.

Sources at the radio station said that the device was thrown from a car in which several people were riding. The device spread a powerful toxic gas inside the offices of the radio station and forced the radio personnel to leave the building quickly.

Radio Cooperativa was recently given an international award for its coverage of the 5 October plebiscite when the Chilean electorate rejected the presidential candidacy of President Pinochet.

Reporters said that the gas was so powerful that it affected even the houses near Radio Cooperativa, which is located in the eastern sector of the capital.

Radio Chilena, another important radio station that opposes the military regime, last night received telephone threats.

An anonymous caller said that Radio Chilena may also experience an attack similar to the one against Radio Cooperativa.

Communist Party Sector To Implement 'Struggle'
PY2212003988 Santiago EL MERCURIO in Spanish 13 Dec 88 p C-2

[Text] The Shanty Town Dwellers Department of the Communist Party yesterday reaffirmed the proposals made by the 15th Congress of the Chilean Communist Party. The department announced that it will implement "all necessary forms of struggle to put an end to the current regime as soon as possible."

The announcement was made in a news conference held yesterday by Communist leaders Claudina Nunez, Manuel Valencia, Elena Gonzalez and Atilio Gaete.

Claudina Nunez proposed that it is 2 months after the plebiscite, and it is necessary to conduct democratic measures such as the abolition of Article 8 of the 1980 Constitution, the dissolution of the National Intelligence Center (CNI), the full exercise of political and social rights and the clarification of crimes and punishment of those responsible for crimes, the release of all political prisoners, and the democratization of the Neighborhood Councils and other social organizations.

Regarding the charges made against Communist leaders, Claudina Nunez said that the legal action against them "is a government measure" aimed at preventing their participation in the national life.

She went on to say that the Communists "will continue to implement mobilize and use disobedience to find solutions to the most urgent problems. We will also continue to sustain the legitimacy of the development of the masses for self-defense and the implementation of all forms of struggle demanded by the situation."

Youth leader Manuel Valencia said that his organization supports the party's policy of a "democratization process." He added that "instead of forgiveness we demand a trial for people who, for 15 years, have violated human rights."

He added that Communists will implement "all forms of struggle to achieve democracy." However, he refused to explain the forms that will be used. He said: "We are ready to set up barricades and dig trenches if necessary as a self-defense system. Asked to elaborate on this issue he responded that "the masses are very creative."

Lawyer Denounces 'Terrible Conditions' in Prison
PY2112112888 Santiago Radio Chilena Network in Spanish 2200 GMT 20 Dec 88

[Text] Attorney (Rosario Higgi) denounced the terrible conditions in which his client, Ernesto Samorano Dias, 60, is being kept in Los Angeles prison.

Samorano was indicted by military courts in Santiago and Los Angeles and is charged with violation of the gun control and explosives law. He is being kept in preventive detention with four other people.

According to the lawyer, Samorano Dias and Pedro Alfaro are being subject to 14 days in solitary confinement in a 2- by 2-meter cell for a minor incident.

[Begin (Higgi) recording] Ernesto Samorano and Pedro Alfaro were punished by a guard for a minor incident. They were ordered to 14 days in solitary confinement in a 2- by 2-meter cell. They have to remain standing, they do not have anything to sleep on, and they are not allowed out to walk or to go to the bathroom. They began a hunger strike 8 days ago to protest this treatment. They were punished for walking in front of the guard instead of walking behind him. The punishment is too great for such a minor violation. [end recording]

The lawyer expressed concern for the health of his client, who is in the 8th day of a hunger strike. She added that the lawyer representing Samorano in Los Angeles in the 8th Region, obtained permission from the mayor to see him but could not convince the officials to end the confinement.

*** Communist Party Position on FPMR Detailed**
33480043b Santiago EL MERCURIO in Spanish 6 Nov 88 p D-5

[Article by Maria Angelica de Luigi: "The Explanations of the PCCh"]

[Text] The best questions about what happened in Los Quenes were asked by the socialist Ricardo Lagos, during a heated discussion which took place at Vicuna Mackenna Stop No 12.

"What right had they to attack police barracks? Who authorized them to do so? In whose name was this done?"

Obviously, the opposition leader obtained no answers. Otherwise he would have personally turned them over to the police.

But he is not the only one who is confused. The entire democratic opposition, which had been congratulating itself on having won over the "No" faction (the Communist Party) as a "silent partner" on the path toward "the peaceful way" (read the statements of the comrades concerning their agreement on legalizing (!) an instrumental party of the left)), has been disappointed.

For it is one thing to accept, with a greater or lesser degree of belief, the Chilean Communist Party [PCCh] reports to the effect that, "These extremist undertakings are the work of a splinter group which is out of control."

And it is another very different thing to see the best known communists collecting from the morgue the body of the leader of the group which attacked Los Quenes. Former senator Julieta Campusano, Sergio Teitelboim Voloski (the brother of Volodia), Gonzalo Rovira (the PCCh youth leader), and also representatives of organizations which everyone knows "are in the hands of the party" (Families of Those Detained and the Disappeared, Families of Political Prisoners, etc.) have rendered heartfelt homage to the "dead combatant."

And what about the wake? It was held at the premises of the most obviously communist trade union, that of the construction workers, on Serrano Street.

And the funeral? The mourners included Dr Fanny Pollarolo, the leader Jaime Insunza, and official spokesman Jose Sanfuentes.

If an animal has the face of a lion, the ear of a lion, the neck of a lion—is it not a lion?

Something Does Not Fit

This public pain evidenced by the PCCh at the death of the young electronic engineer Raul Alejandro Pellegrin Friedman, whom the police identify as the head of the commando group which attacked the Los Quenes settlement and assassinated a Carabineer—isn't this proof that the dead man was a member, and a beloved member, of the PCCh? And that therefore, his action was also viewed with favor by the party?

Many questions are being asked by those in the opposition who believed the claim that the extremist actions were carried out by a group "excluded from the party, out of control—an 'autonomous' front."

Something doesn't fit, as the propaganda of the "No" faction pointed out.

The statements about Los Quenes made by Patricio Hales (just a few days before the funeral, he said that, "This is an act of terrorism, a criminal action by provocateurs or adventurers") do not fit, nor do those by Jaime Insunza ("The PCCh has no connection with these events"), Mireya Baltra and Americo Zorrilla ("The Communist Party has no involvement in nor responsibility for these incidents"), or Luis Guastavino ("These are minority groups which must be made to see that the armed path is not the proper one, nor the most efficient one").

Where does this leave us? This is the worrisome question being asked by many people who, until yesterday, honestly believed that the PCCh had mended its ways. It was they who pointed to the more moderate statements made recently, to the point of even indicating agreement to the enrollment ("within the institutionality of the dictatorship!") of an instrumental party of the left. These were the people who applauded the public rejection of deeds such as those committed by the communists in Los Quenes.

But if the communists condemn these actions, what was the general staff of the Communist Party doing on Friday when its members said their farewells to Pellegrin, who has even been identified by some as "Commander Jose Miguel," one of the top commanders of the front which has allegedly split off from the PCCh?

It seems unlikely, after this accolade accorded to the extremely violent group (well-known Communist Party members took their places solemnly at the cemetery alongside the hooded figures and wreaths bearing the initials FMR [Manuel Rodriquez Patriotic Front), that anyone in the opposition could continue to ask, as socialist Ricardo Lagos did:

"Who authorized them to do this? In whose name was this done?"

Arsenals of Weapons

Although no one has shown greater willingness than the center sector of the opposition has to believe every now and again that, "The PCCh is about to abandon the armed path."

Since 1983, when the front made its debut, with the blackouts and robberies, these sectors have been waiting for "the PCCh to become reasonable." A dialogue designed to change their minds has been sponsored by all the parties. And all of them, one after the other, have received dilatory explanations, but never a formal commitment in writing, promising abandonment of "the two paths" in terms of which the PCCh defined its actions beginning in 1980.

The unbelieving "democratic" groups were still arguing about the violent attitude of the communists when they learned in 1986 of the warehousing of tons of weapons in the northern part of the country. Despite the fact that some still had their doubts about this, the majority recognized that those responsible were demonstrably the communists.

That same year, which the communists proclaimed a "decisive year," the attempt to assassinate General Pinochet occurred (an action for which the FMR openly claimed credit).

And although following these events, the center opposition members chose to exclude the communists from all their agreements and actions, they are still continuing to try to "persuade the comrades" to abandon violence and give "proof of pacifism."

And so, since then, the PCCh has felt isolated politically, and forced onto another solitary path—toward the rebuilding of the political picture in which it also wanted to take its place, without abandoning its "militaristic option." And what did it do?

Two Fronts

Today some say that in fact it is trying to freeze its "military cadres." Others say that it has simply chosen another more pleasing tune for the opposition to dance to.

The specific fact is that in September of 1987, when the whole country was condemning the kidnapping of Colonel Carreno, the story of the "break" or "rupture" within the party began to spread. The centrist opposition was best informed.

"What is happening," Christian Democratic (DC), radical and socialist politicians explained, "is that the PCCh wants to reestablish itself within the democratic opposition. But it has not been able to restrain the 'cadres' which have already been developed for military struggle. And they, in the end, have departed. They have withdrawn from the party and are no longer obeying the instructions to halt their actions. It is they who kidnapped Colonel Carreno."

"They." Some kind of "autonomous group." Not the PCCh.

For some time, this explanation, which has been accepted as true to date, satisfied the opposition members most concerned with enrolling parties, obtaining authorizations to act and launching the campaign to win the plebiscite for a good while. In the end, they were all reassured when, after many advances and retreats, the communists decided to appeal to their membership to join and then to vote "No."

"Finally, the communists have become convinced that the peaceful path is the true path," one heard it said with relief.

Until Volodia came along with his extremist speech about "provisional governments and people in the streets on the day of the plebiscite," which almost doomed the campaign with the slogan "Happiness is on the way" to failure.

But the communists changed their tune again. On the day of the plebiscite, Volodia himself became someone else, speaking in a new, calming tone which pleased the opposition.

Guerrilla Columns

And then the events in Los Quenes occurred, with the proclamation that "the national patriotic war" had been launched. Called upon again for an explanation, the PCCh insisted that the authors "were members of the 'autonomous front.'"

The truth of this assertion gained credibility with the emergence of two "spokesmen" for two different "fronts." One front, identified within the party, stated through Jorge Salas:

"There are people who commit actions, using the name of the FMR, although they are not members of our organization. We want to emphasize that the FMR has not declared any kind of war and does not believe that all of the members of the Armed Forces and the Carabineers are enemies of the people simply because they wear uniforms."

The other front, with a spokesperson named Mariela Vargas (a name which had become well known earlier, at the time of the kidnapping of Colonel Carreno), claimed that it, on the contrary, was reponsible for these events, stating that "The guerrilla columns are continuing their advance toward other regions of the country."

Two fronts. The opposition accepted this explanation until last Friday. For when the PCCh decided to come out publicly and with solidarity on the occasion of the death of the guerrilla commander who was not a member of "its front," but rather the other, "the autonomous front," then no one understood anything any longer.

The Funeral Tableau

Some people have lost faith for good, and this weekend they suggested an initial explanation.

"All of these are fabricated stories. The PCCh continues to pursue both paths. It is trying to win space. In 1986, when the communists believed that 'the conditions were ripe' and that it was 'the decisive year,' they were mistaken. Then they believed that the plebiscite would discredit the government, and once again they were wrong. The party has been isolated, and it wants to win back space, by playing both sides. In politics it is continuing to seek an understanding with the rest of the opposition sector, and is making ambiguous statements. In the 'military' sector (a choice it has not abandoned since 1980), the party maintains its cadres."

But why make its connection with the FMR public (on Friday, at the funeral of the dead front member), after having gone to such trouble to deny it?

Some people explain that what happened that day was an unprecedented event on which the PCCh can only "capitalize."

"Just a few months ago, could anyone have imagined a picture like this being filmed and photographed by the media? There were floral wreaths bearing the name of the front, hooded figures singing the anthem of the front, and communist banners and leading PCCh militants filing past a coffin escorted by Carabineers on motorcycles."

Three 'Fronts'

To those who claim that this represented "space gained by the PCCh" are added those who believe the most recent explanation being circulated by certain comrades.

"The fact is there are not just two fronts, but three. One is the faction which remained within the PCCh. Another is that which split off and which is called 'The Faction.' And the third—that responsible for the actions in Los Quenes and in other rural sectors in recent weeks—is a false front."

Just so. A front "infiltrated and directed by the enemy."

And was it with this "infiltrated" front that the PCCh wanted to show solidarity?

No. It wanted only to express solidarity with the late Pellegrin Friedman and with Cecilia Magni Camino, the two individuals identified as participants in the attack in Los Quenes, who also died during these incidents. For according to this version, these two young people "in its ranks" had disappeared some time ago, and "no one in the party believes" the report that they were involved in "an adventure like this." More specifically, as was said by leaders of the Human Rights Commission, who urged a visiting minister to investigate these deaths, "They must have been assassinated and then thrown in the river."

What is the truth? How many "fronts" are there? How is the PCCh involved?

We can only wait for further explanations.

* Changes in Military Command Studied

33480043a Santiago HOY in Spanish 7 Nov 88 p 14

[Excerpts] Bishop Joaquin Matte Varas, the military vicar general, is the priest who has risen highest in the Chilean Army. On Thursday, 3 November, after the session of the Special Junta of Higher Officers ended, he found himself eighth in seniority (he had been 20th) and in line for promotion to major general.

This was one of the results of the major reform of the high command undertaken by Captain General Augusto Pinochet when he accepted the letter of resignation submitted by the retiring deputy commander in chief, Lieutenant General Santiago Sinclair, and appointed Brigadier General Jorge Zincke Quiroz, previously commander of the Santiago garrison, to replace him.

There are nine generals on active service. One, Sinclair, created the vacancy. Four others, Major Generals Roberto Soto, Roberto Guillard, Alfredo Calderon and Julio Bravo Valdes, have retired on completion of 38 years of service. And four others, Major Generals Eduardo Ibanez and Washington Garcia and Brigadier Generals Carlos Ojeda and Manuel Matas, were forced to retire because they were senior to Zincke.

There were two special cases. Major General Sergio Badiola was confirmed in his post as intendant of Santiago, and remains with the military institution, but outside the line of command. The other was Major General Bruno Siebert, minister of public works, who remains in the Army but is not under Zincke's orders, since he reports directly to General Pinochet instead.

Four other officers with less seniority than Zincke took retirement in a reform which was not unrelated to the consequences of the defeat suffered by the government on 5 October. Brigadier General Ernesto Videla made a personal request to be released from the ranks. Another brigadier general, Sergio Valenzuela Ramirez, served in the Secretariat General of the Presidency, suffered shortness of breath during a plenary session of the Government Junta on the day of the plebiscite, with his health problems finally taking their toll.

Finally, Brigadier General Francisco Martinez, the author of the proposed conversion of Juan Fernandez Island into a tourist center, and Fernando Hormazabal retired.

Promotion Announced

The changes, according to sources close to military circles, can be interpreted as a return by the Army to a "professional" line remote from the tasks of government.

The promotion of Jorge Zincke was foreseen, as Jorge Olave reported in issue No 567 of HOY (in June of this year), and as has been reiterated in recent weeks. The departure of the deputy commander in chief made it seem likely that Santiago Sinclair might be destined to serve in the Government Junta as the representative of the Army, but normally, officers with successful backgrounds are given that assignment. Sinclair, on the other hand, is linked with the results of the plebiscite.

The possibility that Minister of Public Works Bruno Siebert will be the representative on the Junta has not been dismissed.

"Basically," HOY was told, "what has been decided here is who will be the future commander in chief of the Army." The post of deputy commander, created for all branches in March of 1977, was only implemented in the Army, and has come to include the responsibilities formerly carried out by the chief of the general staff.

Theoretically, the post of deputy commander of the Army would cease to exist on 11 March 1990, when the Army commander can no longer serve as president.

Transfer of Authority

Jorge Zincke (who is 53, married, and an artillery officer) not only enjoys the confidence needed to serve as commander of the Army (he served as private secretary to General Pinochet, and between 1979 and 1980, as secretary of the Government Junta), but also boasts a clearly "professional" career without "political" aims [passage omitted].

There was another unexpected aspect to the changes. For the first time in 15 years of government, the generals' corps was not expanded, but was reduced. Thirteen generals departed and only 10 new brigadier generals were promoted. Following the additions and subtractions, the generals' corps of the Army now has 49 members.

Health Minister Releases AIDS Statistics

PY2112110088 Santiago Radio Chilena Network in Spanish 2200 GMT 20 Dec 88

[Summary] Health Minister Juan Giaconi has reported that 4,000 people nationwide carry the AIDS virus, that 110 people have the disease, and that 50 people have already died.

Colombia

FARC Reiterates Support for Cease-Fire

PA2212034588 Bogota LA PRENSA in Spanish 15 Dec 88 pp 1, 9

["Open letter" from the FARC to President Virgilio Barco issued "in the mountains of Colombia on 14 December 1988"]

[Text] In the last few days of this year, the nation has been discussing peace in a way seldom heard of before. All Colombians, including illustrious former presidents, the media, the Catholic Church, political parties, the rebels, and the nation at large, have been voicing their strong desire for reconciliation in the homeland.

We rebels have always regarded peace highly. This is why we have always clearly reiterated this idea. To set the proper frame of mind, we will recall what was said in the La Uribe agreement on 28 March 1984:

"To ensure peace in the nation—which is an essential prerequisite for the Colombian people's prosperity—and social and economic development based on liberty and justice, the following is hereby agreed upon.
"1. The FARC and EP [Poor People's Army] will order a cease-fire and the suspension of all military operations in all fronts throughout the country as of 0000 on 28 May 1984.
"2. The FARC and EP will again condemn and not allow kidnappings, extortion, and terrorism in all their forms. FARC-EP will help eliminate these practices because they are an attack on liberty and human dignity."

In addition, the M-19 and EPL [People's Liberation Army] reached the following agreement with the government: "... We believe the cessation of armed clashes between government forces and the rebels is an essential requirement to lay the groundwork for the political, economic, and social reforms that the Colombian people need and desire. Taking into account the highest interests of the homeland, the government and the rebels have reached the following agreement: The Negotiation and Dialogue Commission, the EPL General Command, and the M-19 High Command have agreed on a cease-fire. Once this is carried out, a great national dialogue will begin, develop, and conclude. Through this dialogue, all social and political sectors will be able to express their willingness to search for peace based on social justice.

"Consequently, the EPL General Command and the M-19 High Command hereby order all fronts, columns, and units to cease firing and suspend all military operations as of 1300 on 30 August."

The spirit and the letter of these accords is now worth considering. There was a time when Colombians said these accords between the government and the rebels had become the country's new political philosophy.

This is not the time for useless recriminations, but for a serious effort to determine who is to blame because the accords went partially unfulfilled. Anyway, considering these accords will not harm the government's policy. We hereby reaffirm our willingness to talk with your government to find a political solution to the country's problems. This willingness to talk is shared by all of the members of the Simon Bolivar Guerrilla Coordinating Board and is part of the conclusions reached by three guerrilla summit meetings.

We fully agree with the peace proposal presented by Senator Alberto Leyva Duran. We find it clear, simple, understandable, and complete. This is why we wrote this letter, made our latest statements, and have given instructions for a unilateral cease-fire as the best Christmas gift for our people.

[Signed] Manuel Marulanda Velez, Jacobo Arenas, Alfonso Cano, Raul Reyes, Timoleon Jimenez

FARC General Staff, Simon Bolivar Guerrilla Coordinating Board

*** Weaknesses in Agricultural Policy Viewed**
33480055a Bogota EL ESPECTADOR in Spanish
14 Nov 88 p 7-A

[Article by Jorge Montano Acosta: "15 Years of Mistakes in Agriculture Cannot Be Corrected All at Once"]

[Excerpt] Barranquilla—Unfortunately, the country has neglected agriculture, and this is the price we are paying for not having provided for that sector, especially during the past, remarked the minister of agriculture, Gabriel Rosas Vega, during the closing of the National Congress of Coral Cotton Growers and investors in the association.

He commented: "We have been working to increase public investment in the agricultural-livestock sector; we are creating conditions for price supports, and structured, dynamic policies, including that of a selective supply, which will give farmers a very clearcut perspective, so that they may know on what they can depend," he explained.

These are ways of taking action but "we cannot halt a 15-year trend of mistakes within the very short interval of 2 years. The country forgot that agriculture is the key to success in the economy. To break or terminate that trend over the short term is extremely difficult, but we are doing so," emphasized Rosas Vega, making a brief diagnosis of the national economy's primary sector.

The agriculture minister also told the Coral members in Barranquilla that the necessary efforts are being made to cope with a food shortage in the country.

For example, he disclosed that, as for rice, there are 105 tons stored in IDEMA [Agricultural-Livestock Marketing Institute] to meet the for the product which is one of the goals of the selective supply program.

He said that, insofar as corn is concerned, 45,000 tons have been purchased and are here, with which "we can guarantee supplies; and it is quite certain that we won't have to import as was the case last year and in previous years."

He added that progress is being made in the bean harvest, which will proceed very well; as for soybeans, there has been a 75-percent expansion in the area cultivated in Valle del Cauca, and there will be a remarkably good crop.

Rosas Vega stressed: "That pessimism which usually imbues us Colombians is what we must overcome because we are actively working to meet the demand so as to guarantee the food structure."

He admitted that we are not yet self-sufficient in production, declaring: "We have problems, it's true, we cannot claim to be at our fullest and our highest potential, which is where we should be, but we are heading in that direction."

He said that, with regard to food, an explanation is in order. It has been claimed here that "we are importing a vast amount of food. The country consumes 15 million tons of food and imports 1.43 million tons, less than 10 percent; this is not a very large figure on an international scale. But, even if we accept the proposition that this million is quite high, we should point out that wheat accounts for 780,000 tons of that amount."

As for the problems remaining from the winter, Rosas Vega reported that work is being done with the emergency office and all the entities in the agricultural-livestock sector, to surmount the problems in Cordoba, Sucre, and Bolivar; this includes programs for credit, land improvement, and rural housing based on the self-construction system, as well as for other major resources [passage omitted].

*** Coffee, Petroleum Revenues Seen in Decline**
33480055b Bogota EL ESPECTADOR in Spanish
14 Nov 88 pp 1A, 8A

[Article by Ricardo Luna Cano: "$264 Million Drop in Coffee and Petroleum Income"]

[Text] Bogota—The terrorist attacks on oil facilities and lower crude and coffee prices on the international market caused a drop of $264 million (nearly 90 billion pesos) in income from our country's exports between January and August of this year, compared with the same period in 1987.

The figures were gathered from the report of the National Administrative Department of Statistics [DANE], whose calculations, moreover, indicate that, after the first 8 months of 1988, the Colombian productive sector is maintaining a positive rate of progress.

On the other hand, over a dozen spokesmen for the leading production associations convoked by the magazine SINTESIS ECONOMICA concluded that there is a threat of recession for the Colombian economy in early 1989.

And, while DANE found that industrial activity increased 4.1 percent between January and August of this year compared with the same interval in 1987, the president of ANDI [National Association of Industrialists], Fabio Correa Echeverri, wrote in the specialized weekly publication: "It is regrettable that, after the effort expended and costs incurred by the country in reestablishing itself on the path of growth, we are departing from it, upsetting its pace with the reckless, bewildering treatment of monetary policy."

The editor of SINTESIS ECONOMICA, Daniel Mazuera Gomez, warned in his editorial (marking the start of the publication's 14th year) of the presence of a weakness in aggregate demand, and, consequently, in national consumption, translated into a decline in productive activities.

The president of ACOPI [Colombian Association of Small Industries], Alfredo Pinto Saavedra, for his part, urged the advancement of a process to reindustrialize the country, in an effort to restore the competitiveness of small and medium-sized businesses as a factor for growth.

The top-ranking spokesman for FEDELONJAS [Colombian Federation of Real Estate Exchanges], Oscar Borrero Ochoa, observed: "We could be at the brink of a new recession in the economy, and hence in the real estate sector's sales."

According to the DANE statistics, during the first 8 months of this year, retail commercial sales increased 8.6 percent, a figure higher than that observed in 1985 and 1987, and similar to that posted in 1986.

The industrial sector enabled employment in its various branches to grow 3.7 percent, and commercial employment expanded 5.8 percent; this is consistent with the recent data to the effect that unemployment declined to 10 percent.

As had been anticipated, at the end of the third quarter of this year construction declined 9.6 percent compared with the same period in 1987, as the statistics on construction permits revealed.

Trade Deficit

At the end of August, the Colombian balance of trade (defined as the difference between exports and imports of goods and services made by our economic agents) recorded a deficit of $53 million, with customs manifests amounting to $3.299 billion in sales and $3.352 billion in purchases.

Prominent in our foreign account were the so-called minor exports (those other than coffee and hydrocarbons), which accounted for 40 percent of the foreign exchange received, and increased 30.8 percent during the first 8 months of the year, compared with the same period in 1987.

DANE claimed that imports have risen considerably, exceeding by 20.7 percent those made during the previous period. A sizable portion of purchases from foreign suppliers consisted of capital goods and raw materials.

It also underscored the increase in the slaughtering of cattle, which had been showing a noteworthy decline during the past 3 years. It rose by 10.2 percent, while the slaughter of hogs increased 11.0 percent.

Coffee and Petroleum

For an economy such as Colombia's, a decline of about $264 million in revenue from exports affects the principal macro variables, including employment and income.

This holds true of the reduction in revenue from coffee and petroleum sales on the world market. The decline of 20 percent (about $209 million) in petroleum foreign exchange and nearly 5.0 percent ($55 million) in that from coffee will unquestionably bring about major changes in the government's plans to allocate funds for investment.

Nevertheless, it should be stressed that the aggregate exports account did not decline, its growth totaling 1.8 percent during the period. The setback suffered by the sector's two leading products was offset by flowers, certain artificial plastic materials, cotton, ferronickel, and ready-made clothing.

Substantial increases were recorded in imports of organic chemical products, polyethylene, polypropylene, cast iron and steel, and electric and electronic machinery and equipment.

The areas of national industry showing the greatest dynamism during the period studied were those of transportation equipment and material, with a growth of 35.6 percent; wooden furniture, with 30.8 percent; rubber products, with 25.1 percent; and garments, with 22.2 percent.

The commercial groups contributing most to the increase posted in commercial sales were those of vehicles and spare parts, with 20.3 percent; pharmaceuticals, with 8.0 percent; clothing and footwear, with 6.8 percent; and household electric appliances, with 5.1 percent.

As for construction, the cities with the greatest increments in the authorized construction area were Medellin (7.0 percent) and Pasto (5.1 percent); reductions were reported in Cartagena, Cucuta, Pereira, and Bogota.

Peru

APRA Congress Eliminates Party President Post

PY2112132688 Madrid EFE in Spanish 0247 GMT 21 Dec 88

[By Francisco Figueroa]

[Text] Lima, 20 Dec (EFE)—The Peruvian governing party, APRA, today ended a conflictive party congress on a note of defeat for President Alan Garcia, and with the emergence of former Prime Minister Luis Alva Castro as new party leader.

The APRA Congress eliminated the post of party president, which was created for Alan Garcia in 1985, consolidating his position as party leader following a decisive victory in the presidential election of that year.

According to some critics within the party, the personalism that had characterized Garcia's undisputed leadership since 1982 was thus ended.

Luis Alva Castro, 46, former prime minister and economy minister as well as former president of the Chamber of Deputies, was elected by a large margin as the new secretary general, a post which regained the highest status in the party. Alva Castro capitalized on the internal dissidence and on the party's disenchantment with Alan Garcia as a result of the deterioration of the social and economic situation, which is considered the worst crisis in this century and is blamed on the chief of state's "stubbornness" in not changing his nationalistic and populist policy line."

The new cadre elected at the 16th APRA Congress is in favor of a "change in orientation" in the party's management and in the public administration for the remaining 18 months of the APRA's term in office. It is expected that Alan Garcia and Alva Castro may reach an agreement on the way the government should be run until 1990, when the current presidential term will end following new general elections.

Garcia also lost the presidency of the Political Commission that sets the party's political line. This post was won by Luis Alberto Sanchez, 88, first vice president of the nation and one of the mainsprings in the changeover operation within the APRA.

The other elective positions were filled with APRA members who do not follow Garcia's line. Thus, the presence of Alan Garcia within the party was reduced to being member of the Political Commission in his capacity as former party secretary general.

Two days ago, the Peruvian chief of state resigned the APRA presidency, upset over criticism directed at him during the opening of the Party Congress. He thus responded to obvious signs that the party president post would be eliminated.

The APRA had thought Alan Garcia would be a very capable heir to Victor Raul Haya de la Torre, the party's founder and historical leader, who died in 1979. Three and one-half years after Garcia's election victory, the party disqualified Garcia for the role of Haya de la Torre's successor because of his errors and his failure to rectify his government line.

Following the tradition initiated by Alan Garcia, new APRA leader Luis Alva Castro will be sworn in as secretary general this coming Friday before the tomb of Haya de la Torre in the northern city of Trujillo, the APRA's main bastion.

The economic crisis, marked by 2,000-percent inflation and a 20-percent recession from October 1987 to October 1988, is compounded by social instability and political violence, with killings averaging four per day.

An internal political storm hit the APRA 16th National Congress, and Vice President Sanchez said that he cannot recall anything similar.

During the last session of the Congress, three youths were injured in a melee among APRA people. Other party members were hit on the head with handgun butts, and three newsmen—who had not been allowed to attend the proceedings of the Congress—were attacked.

Coca Production Affecting Land, Communities

PY2212034588 Madrid EFE in Spanish 0921 GMT 21 Dec 88

[By Enrique Valls]

[Text] Lima, 21 Dec (EFE)—Drug traffickers have leveled 120,000 hectares of the Amazon jungle in Peru to grow coca plants and have annihilated 20 percent of the native communities in the region.

Moreover, the tributaries of the great Huallaga River Valley—as well as the soil, fauna, and flora—have been severely contaminated by the toxic waste from chemicals used in manufacturing the cocaine base.

Peruvian ecologist Carlos Aldana Camacho, scientific director of the environment and natural resources of the Garcilaso de la Vega Private University of Lima, today gave this report to EFE.

Aldana stated that the coca production began to increase a quarter of a century ago. Coca was the sacred plant of the Incas; it soothes pain and abates hunger and tiredness.

Coca production increased in geometrical pregression, and today the illegal crops occupy an estimated 200,000 hectares. "An ecological disaster has been incubating and is now hatching violently," Aldana stated.

The 120,000 hectares of coca crops in the Huallaga Valley have displaced vital forest ecosystems; rich and diverse forests with unique species of wild animals and plants have been ruthlessly annihilated, Aldana Camacho stated.

The damaged regions include the medium- and high-altitude mountain regions of the Huallaga Valley in the Amazon jungle in the northern departments of San Martin and Huanuco.

Cocaine base is also produced in the same area, by macerating coca leaves in pits. An average of between 6,000 and 8,000 tons of cocaine base is produced from 300,000 tons of raw material there yearly, Aldana told EFE.

The profit of this evil business could be even greater, because the coca can be harvested up to five times a year with a production of 2,400 kg of coca leaves per hectare during each harvest, he added.

All this has prompted severe and rapidly developing changes in the traditional Amazon plantations over the past 20 years.

Aldana stated that native communities have been "bewitched" by the profits and the townspeople are contracted to tend the coca crops, which require very little attention.

Aldana adds that the pressure exerted by drug traffickers is leading to the extintion of the native communities of the Peruvian jungle.

The coca problem is not limited to Peru. It also affects Colombia, Bolivia, and Brazil, and from those countries the drug is sent to Canada, the United States, Spain, the FRG, France, Great Britain, and other nations.

Aldana participated in a recent international meeting in Lima on the impact of illegal drug trafficking on the enviroment. Present at that meeting were representatives from Bolivia, Spain, the United States, Colombia, Ecuador, Peru, and other nations. Aldana proposed the creation of integrated farms [granjas integrales] as a solution to the problem.

Such farms will preserve and recycle natural resources, especially by making good use of the agricultural, animal, and human wastes.

These farms will include fish breeding, grazing animals, and production of biogas and biological fertilizers, Aldana added. Right now there are 500 of these farms in the central Peruvian jungle, and we are trying to establish some 5,000 more.

To achive this we need the financial support of the drug consuming countries, and with the establishment of these integrated farms the coca crops will be eliminated, Aldana concluded.

Venezuela

Lusinchi: Inauguration Invitations Not Issued

PA2212000788 Buenos Aires REUTER in Spanish 2315 GMT 21 Dec 88

[Excerpt] Caracas, 21 Dec (REUTER)—President Jaime Lusinchi has said that the Venezuelan Government has not invited Cuban President Fidel Castro to the inauguration of President-elect Carlos Andres Perez.

Lusinchi told reporters yesterday that he is in charge of issuing invitations to the inauguration on 2 December [date as received] and so far he has not sent any.

"So far, no one has been mentioned so everything is mere speculation; this does not mean we are making a judgment on any invitation in particular," he said.

The outgoing president was replying to a report published over the weekend by the newspaper EL NACIONAL which said that individuals close to Perez had indicated that Castro had been invited to the inauguration.

"That is not so," said Lusinchi, who, according to the local press, appeared annoyed.

Lusinchi added that he will issue the invitations that Perez sends him but that so far he has not received any. [passage omitted]

President-Elect To Visit Mexico in January

PA2212041088 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 21 Dec 88

[Text] According to EL NACIONAL, a Caracas morning newspaper, Venezuelan President-elect Carlos Andres Perez will travel to Mexico on 3 January to meet with Mexican President Carlos Salinas de Gortari. EL NACIONAL said Carlos Andres Perez will seek to strengthen the relations between the two countries in matters of oil policy.

Government Approves Foreign Exchange Budget

PA2112185988 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 20 Dec 88

[Summary] The foreign exchange budget for 1989 has been approved. It may still undergo changes but stands as follows for the time being: $4.5 billion has been allotted for raw materials, spare parts, and finished products, compared to $5.421 billion in 1988; $650 million for capital goods, i.e., machinery, cattle, general equipment, and computers, compared to the $898 million in 1988; $200 million for gross incentives for exports, compared to $96 million last year; $1.65 billion for the farming supplies program, compared to $1.32 billion in 1988; and $1.5 billion for imports by the public sector, compared to $1.517 billion in 1988.